

SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN (AUTONOMOUS)  
(Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)  
Chromepet, Chennai — 600 044.

B.Com.(ISM) END SEMESTER EXAMINATIONS NOVEMBER-2022  
SEMESTER - I

**20UBICT1001 - Accounting for Managers - I**

Total Duration : 2 Hrs 30 Mins.

Total Marks : 60

**Section A**

Answer any **SIX** questions (6 × 5 = 30 Marks)

1. Explain the objectives of Accounting.
2. Prepare Trial Balance From the following

	Rs.		Rs.
Capital	9,000	Rent outstanding	1,000
Plant and Machinery	12,000	Opening stock	2,000
Purchases	8,000	Sales return	4,000
Sales	12,000	Investments	14,000
Sundry Creditors	8,000	Debtors	12,000
Bank Loan	22,000		

3. Prepare a trading account for the year ended 31<sup>st</sup> Dec 2018.  
Opening stock Rs.5,730  
Purchase Rs.1,58,000  
Purchase returns Rs.900  
Sales Rs.2,62,000  
Sales returns Rs.600  
Closing Stock Rs.8,600
4. Explain the importance of management accounting.
5. Prepare a comparative income statement of Vinayaka Travels Ltd., for the years ending 31<sup>st</sup> March 2019 and 2020 from the following

Particulars	2019 31 <sup>st</sup> March Rs.	2020 31 <sup>st</sup> March Rs.
Purchase less returns	80,000	1,50,000
Other direct expenses	20,000	50,000
Sales	1,80,000	2,60,000
Office expenses	20,000	25,000
Selling expenses	10,000	15,000
Finance expenses	10,000	8,000
Profit	40,000	12,000

6. Prepare a schedule of changes in working capital from the Balance Sheet data given below

**Balance Sheet**

Liabilities	31-12-96 Rs.	31-12-97 Rs.	Assets	31-12-96 Rs.	31-12-97 Rs.
Share capital	3,00,000	3,75,000	Machinery	70,000	1,00,000
Creditors	1,06,000	70,000	Stock in trade	1,21,000	1,36,000
P&L Account	14,000	31,000	Debtors	1,81,000	1,70,000
			Cash	48,000	70,000
	4,20,000	4,76,000		4,20,000	4,76,000

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7. From the following Profit and Loss account, calculate Cash from Operations  
Profit and Loss Account for the year ending 31<sup>st</sup> December 2000

	Rs.		Rs.
To Salaries	4,000	By Gross profit	25,000
To Rent	2,000	By Profit on sale of land	4,000
To Depreciation	2,000	By Income tax refund	4,000
To Goodwill written off	3,000		
To Loss on sale of plant	2,000		
To Proposed dividend	6,000		
To Provision for taxation	4,000		
To Net Profit	10,000		
	<b>33,000</b>		<b>33,000</b>

8. State and explain how Accounting Ratios are classified.

### Section B

Answer any **THREE** questions ( $3 \times 10 = 30$  Marks)

9. Explain the various accounting concepts.  
10. Prepare a Trading and Profit & Loss A/c for the year ended 31<sup>st</sup> December 2014 and a Balance Sheet as on that date from the following Trial Balance of Mr.Arun

	Rs.		Rs.
Drawings	45,000	Capital	1,60,000
Goodwill	90,000	Bills Payable	35,000
Building	60,000	Creditors	70,000
Machinery	40,000	Purchase Returns	2,650
Bills Receivable	6,000	Sales	2,18,000
Opening stock	40,000		
Purchases	51,000		
Wages	26,000		
Carriage Outwards	500		
Carriage inwards	1,000		
Salaries	38,000		
Discount	3,850		
Cash	26,600		
Debtors	45,000		
Bad debts	1,200		
Sales Return	2,000		
Furniture	6,000		
Advertisement	3,500		
	<b>4,85,650</b>		<b>4,85,650</b>

#### Adjustments:

- Closing Stock was Rs.35,000
- Depreciate Machinery and Furniture by 10%
- Outstanding wages Rs.1,500
- Prepaid advertisement Rs.500
- Create 5% on debtors for bad debts as provision.

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SEMESTER - I  
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11. The following are the balance sheets of X Ltd and Y Ltd as on 31<sup>st</sup> march 2000. Comment on their position by preparing common size balance sheet.

**Balance Sheet as on 31<sup>st</sup> March 2000**

<b>Liabilities</b>	<b>X Ltd</b>	<b>Y Ltd</b>	<b>Assets</b>	<b>X Ltd</b>	<b>Y Ltd</b>
Share capital	25,00,000	40,000	Fixed assets	60,00,000	80,000
Reserve	10,00,000	60,000	Stock	20,00,000	20,000
10% Debentures	40,00,000	-	Debtors	50,00,000	15,000
Term loan	60,00,000	10,000	B/R	10,00,000	10,000
Creditors	20,00,000	20,000	Cash at Bank	20,00,000	15,000
Bills Payable	5,00,000	10,000			
	<b>1,60,00,000</b>	<b>1,40,000</b>		<b>1,60,00,000</b>	<b>1,40,000</b>

12. Balance Sheets of M/s. Black and White as on 1-1-2019 and 31-12-2019 were as follows

<b>Liabilities</b>	<b>1-1-2019 Rs.</b>	<b>31-12-2019 Rs.</b>	<b>Assets</b>	<b>1-1-2019 Rs.</b>	<b>31-12-2019 Rs.</b>
Creditors	40,000	44,000	Cash	10,000	7,000
Mrs. White's Loan	25,000	—	Debtors	30,000	50,000
			Stock	35,000	25,000
			Machinery	80,000	55,000
			Land	40,000	50,000
Loan from Canara bank	40,000	50,000	Building	35,000	60,000
Capital	1,25,000	1,53,000			
	<b>2,30,000</b>	<b>2,47,000</b>		<b>2,30,000</b>	<b>2,47,000</b>

During the year a machine costing Rs.10,000 (accumulated depreciation Rs.3,000) was sold for Rs.5,000. The provision for depreciation against machinery as on 1-1-2019 was Rs.25,000 and on 31-12-2019 Rs.40,000. Net Profit for the year 2019 amounted to Rs.45,000. You are required to prepare funds flow statement.

13. The following figures relate to the trading activities of a company for the year ended 31-12-99

<b>Particulars</b>	<b>Rs.</b>	<b>Particulars</b>	<b>Rs.</b>
Sales	1,00,000	Salary of salesmen	1,800
Purchases	70,000	Advertising	700
Closing Stock	14,000	Travelling expenses	500
Sales returns	4,000	Salaries (office)	3,000
Dividend received	1,200	Rent	6,000
Profit on sale of fixed assets	600	Stationery	200
Loss on sale of shares	300	Depreciation	1,000
Opening stock	11,000	Other expenses	2,000
		Provision for tax	7,000

You are required to calculate

- Gross Profit ratio
- Operating Profit ratio
- Operating ratio
- Net profit ratio

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