

**ACCOUNTING FOR MANAGERS**

Time : 3 hours

Max Marks : 60

Answer all **five** units. (5 x 12 = 60 Marks)

**PART-A**

Answer all **five** units (05 × 10 = 50 Marks)

**UNIT-I**

1. Show the Accounting Equation for the following transactions
  - a. Shiva started business with Rs 80,000,
  - b. Purchased goods worth Rs 30,000,
  - c. Deposited into bank Rs 20,000,
  - d. Purchased furniture for personal use Rs 10,000,
  - e. Sold goods costing Rs 20000 to Bhuvan for Rs 25,000
  - f. Paid Salary Rs 2000

Purchased goods on credit Rs 10000

OR

2. What is Journal? Distinguish Journal from ledger.

**UNIT-II**

3. What are adjustment entries and closing entries?

OR

4. What is Trial balance? List the errors disclosed by trial balance.

**UNIT-III**

5. What is meant by Ratios? Explain the importance of ratio analysis.

OR

6. From the following particulars of M/s Tirupathi Industries, prepare bank reconciliation statement as on December 31, 2017

1. Bank balance as per cash book Rs.32,500
2. Cheques deposited into bank but not credited up to December 31, 2017 Rs.8,900.
3. Cheques issued but not presented for payment Rs. 12,500.
4. Bank credited Rs.5,000 for receiving dividend through Electronic Clearing System.
5. Bank charges debited by Bank Rs.400.

**UNIT-IV**

7. What is meant by Gross working capital, Net working capital and Optimum working capital?

OR

8. From the following balance sheets of for the years 2015 and 2016, find out funds from operations.

Continued in page 2

Particulars	2015	2016
General reserve	10000	12500
Good will	5000	2500
Provision for depreciation on plant	5000	6000
Preliminary expenses	3000	2000
Profit and loss appropriation account	15000	20000

**UNIT-V**

9. Mention any five deductions available U/S 80C of Income Tax Act.

OR

10. What is window dressing? Explain any five methods of window dressing.

**PART-B**

Compulsory Question. (01 × 10 = 10 Marks)

**11. Case Study:**

Following is the Trial Balance of Mr. R K as on 31-3-2017. Prepare Trading & Profit & Loss A/c for the same.

- Closing stock Valued at Rs 10,000
- Depreciate Machinery by 5% & Vans by 15%
- Provision for bad & doubtful debts to be increased by Rs 600
- Accrued commission Rs 500
- Goods worth Rs 500 were used for personal purpose

Particulars	Dr	Rs	Cr	Rs
Capital				85,000
Drawings		7,500		
Stock		12,000		
Purchase & Sales		86,000	1,70,000	
Returns		2,000		1,000
Discounts		5,00		7,00
Commission received				1,000
Income tax paid		7,00		
Office salaries		17,300		
Office rent		2,000		
Advertising		1,700		
Debtors & Creditors		85,000		30,000
Provision for doubtful debts				3,000
Manufacturing wages		8,600		
Bill Receivable & Bills Payable		5,000		5,000
Carriage		6,00		
Machinery		40,000		
Motor Vans		7,000		
Land & Buildings		10,000		
Office Expenses		1,500		
Cash at Bank		6,000		
Cash in Hand		2,300		
<b>Total</b>		<b>2,95,700</b>		<b>2,95,700</b>

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