

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 - APRIL 2025

SEMESTER - I

24UBICT1001 - Accounting for Managers

Total Duration : 2 Hrs.30 Mins.

Total Marks : 60

Section B

Answer any **SIX** questions ($6 \times 5 = 30$ Marks)

- Describe the advantages and limitations of accounting.
- Prepare trading and profit and loss account for the year ended 31st December 2006 and a balance sheet as on the that date from the following trail balance of Mr.Ramu :

Particulars	Amount ₹	Particulars	Amount ₹
Drawings	45,000	capital	1,60,000
Goodwill	90,000	Bills payable	35,000
Buildings	60,000	Creditors	70,000
Machinery	40,000	Purchase return	2,650
Bills receivable	6,000	sales	2,18,000
Sales return	1,200		
Repairs	2,300		
Debtors	45,000		
Bad debts	1,200		
Bank	25,000		
Cash	1,600		
Furniture	6,000		
Advertisement	3,500		
General expenses	450		
Opening stock	40,000		
Purchase	51,000		
wages	26,000		
Carried outward	500		
Carriage inwards	1,000		
salaries	35,000		
Rent	3,000		
Discount	1,100		
	4,85,650		4,85,650

Adjustments:

- Closing stock was ₹35,000
- depreciate machinery and furniture by 10%
- outstanding wages ₹1,500
- prepaid advertisement ₹500
- Create 5% on debtors for bad debts as provision.

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3. From the following information show the results of operations of a manufacturing concern using trend percentage with 1987 as base year.

Particulars	1990 ₹	1989 ₹	1988 ₹	1987 ₹
Sales	1,300	1,200	950	1,000
Cost of goods sold	728	696	589	600
Gross profit	572	504	361	400
Total selling expenses	120	110	97	100
Net operating profit	452	394	264	300

4. From the following balance sheet of ABC Ltd., Prepare fund flow statement

Balance sheet

Liabilities	31.12.2005 ₹	31.12.2006 ₹	Assets	31.12.2005 ₹	31.12.2006 ₹
Share capital	8,000	8,500	Land	5,000	5,000
P&L apprn.A/C	1,450	2,450	Plant	2,400	3,400
Creditors	900	500	Debtors	1,650	1,950
Mortgage loan	-	500	Stock	900	700
			Cash at bank	400	900
	10,350	11,950		10,350	11,950

5. From the following details of Mr.Kumar. You are required to calculate stock turnover ratio.
- Sales ₹39,984; Sales return ₹380; Opening stock at cost ₹1,378; Closing stock at cost ₹1,814; Total gross profit for the year ₹8,068.
 - Calculate stock turnover ratio period from the following:
Sales ₹10,00,000; Gross profit ratio 20% Stock at the beginning of the year ₹1,75,000; Stock at the end of the year ₹1,45,000.
6. The bank overdraft of Mrs.Priya on 31.12.93 as per cash book is ₹9,000. From the following particulars prepare bank reconciliation statement.
- Unpresented cheque ₹3,000
 - Uncleared cheque ₹1,700
 - Bank interest debited in the pass book only ₹500
 - Bill collected and credited in the pass book only ₹800
 - Cheque of Renuka dishonoured ₹500
 - Cheque issued to Sekar entered in the cash column of cash book ₹300

7. Prepare a schedule of changes in working capital from the following balance sheet.

Liabilities	1998 ₹	1999 ₹	Assets	1998 ₹	1999 ₹
Share capital	50,000	50,000	Fixed assets	18,000	28,000
10% Debenture	10,000	20,000	Investments:		
			Trading	8,000	9,000
			Non.trading	10,000	10,000
Bills payable	18,000	6,000	Inventory	12,000	18,000
Outstanding expenses	6,000	9,000	Debtors	40,000	48,000
Creditors	33,000	40,000	Accrued interest	4,000	6,000
			Unexpired insurance	-	3000
			Cash at bank	17,000	2,000
			Cash in hand	8,000	1,000
	1,17,000	1,25,000		1,17,000	1,25,000

8. Ascertain the different tools and techniques used in financial statement analysis.

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Section C

Answer any **THREE** questions (3 × 10 = 30 Marks)

9. How do you prepare "Three Column Cash book" ? Explain its utility.
10. Prepare Trading, Profit & Loss account and balance sheet from the following trial balance of Mr.Muthu.

Debit balance	Amount ₹	Credit balance	Amount ₹
Debtors	92,000	Muthu's capital	70,000
Plant & Machinery	20,000	Purchase return	2,600
Interest	430	Sales	2,50,000
Rent,Rate,Tax	5,600	Creditors	60,000
Conveyance charges	1,320	Bank overdraft	20,000
Wages	7,000		
Sales return	5,400		
Purchases	1,50,000		
Opening stock	60,000		
Muthu's drawings	22,000		
Trade expenses	1,350		
Salaries	11,200		
Advertisement	840		
Discount	600		
Bad debts	800		
Business premises	12,000		
Furnitures & Fixtures	10,000		
Cash in hand	2,060		
	4,02,600		4,02,600

Adjustments :

- i) Stock on hand on 31st December ₹90,000
 - ii) Provide depreciation on premises at 2.5%, Plant & Machinery at 7.5% and furniture at 10%
 - iii) Write off ₹800 as further bad debts
 - iv) Provide for doubtful debts at 5% on sundry debtors
 - v) Outstanding rent was ₹500 and outstanding wages ₹400
 - vi) Prepaid insurance ₹300 and prepaid salaries ₹700.
11. Ram & Co. Ltd., furnishes its balance sheet for the year 1999 and 2000 and prepare a comparative balance sheet for those years.

BALANCE SHEET

LIABILITIES	1999	2000	ASSETS	1999	2000
Equity share capital	80,000	80,000	Land & buliding	80,000	74,000
8% Debentures	80,000	90,000	Plant & machinery	60,000	54,000
Retained earnings	40,000	49,000	Furniture	20,000	28,000
Creditors	50,000	70,000	Inventory	40,000	60,000
Bills payable	10,000	15,000	Debtors	40,000	80,000
			Cash	20,000	8,000
	2,60,000	3,04,000		2,60,000	3,04,000

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12. From the following balance sheet as on 31st December 93 and 31st December 92. Prepare cash flow statement.

BALANCE SHEET

LIABILITIES	1993 ₹	1992 ₹	ASSETS	1993 ₹	1992 ₹
Share capital	1,50,000	1,00,000	Fixed assets	1,50,000	1,00,000
Profit & Loss A/c	80,000	50,000	Goodwill	40,000	50,000
General reserve	40,000	30,000	Stock	80,000	30,000
Creditors	40,000	30,000	Debtors	80,000	50,000
Debentures	60,000	50,000	Bills receivable	20,000	30,000
Outstanding expenses	15,000	10,000	Bank	15,000	10,000
	3,85,000	2,70,000		3,85,000	2,70,000

13. From the following Profit & Loss account of X Ltd., is given below.

PROFIT & LOSS ACCOUNT

PARTICULARS	AMOUNT ₹	PARTICULARS	AMOUNT ₹
To Opening stock	2,00,000	By Sales	16,00,000
To Purchases	12,00,000	By Closing stock	3,20,000
To Administration expenses	1,20,000	By Dividend	4,000
To Selling expenses	80,000		
To Financial expenses	40,000		
To Loss on sale of profit	5,000		
To Net profit	2,79,000		
	19,24,000		19,24,000

Calculate profitability ratios.
