

SIDDHARTH INSTITUTE OF ENGINEERING & TECHNOLOGY:: PUTTUR
 (AUTONOMOUS)

MBA I Year I Semester Regular Examinations December-2025
FINANCIAL ACCOUNTING FOR MANAGERS

Time: 3 Hours**Max. Marks: 60**(Answer all Five Units $5 \times 12 = 60$ Marks)**UNIT-I**

- 1 a What is accounting? Explain importance of accounting.
 b Elucidate the any five concepts of accounting.

 CO1 L1 6M
 CO1 L2 6M
OR

- 2 a State the objectives of accounting. Who are the users of accounting information?
 b What are the advantages and disadvantages of accounting?

CO1 L2 6M

- 3 From the following Trial Balance as at 31-3-2024 of XYZ company Ltd. and the adjustments given, prepare the Final Accounts of the company:

Particulars	Dr. ₹	Cr. ₹
Called up capital 5,000 shares of ₹10 each		50,000
Capital Reserve		19,000
General Reserve		14,000
Stock as on 1-4-2023	40,000	
Purchases and Sales	2,05,000	2,88,000
Returns Inwards and Returns Outwards	3,000	5,000
Profit and Loss Statement 1-4-2023		3,000
Plant and Machinery	30,000	
Building	40,000	
Motor Van	20,000	
Debtors and Creditors	32,600	30,000
Bank Interest (Paid and Received)	1,200	200
Loan from Bank (Secured)		25,000
Bills Payable		5,700
Cash at Bank	8,000	
Cash in hand	6,900	
Wages	30,000	
Directors' Fees	2,000	
Auditor's Fees	1,200	
Administrative Expenses	6,000	
Salaries	10,000	
Insurance	1,500	
Maintenance of Motor Van	2,500	
Total	4,39,900	4,39,900

Adjustments:

- Stock on 31-3-2024 was valued at ₹40,000.
- Insurance prepaid was ₹400.
- Accrued Interest on Bank loan was ₹500.
- Provide ₹1,000 for bad debts on debtors. Depreciate Building at 15%, Plant and Machinery at 10%, and Motor Van at 5%.

OR

- 4 a Define accounting and discuss the distinguish between journal and ledger. CO2 L3 6M
 b Prepare necessary journal entries in the books of Mr.Karthikeya: CO2 L5 6M
- 01.12.2023 Kethan started business with cash Rs.100000
 05.12.2023 Purchased goods for cash Rs. 15000
 07.12.2023 Goods purchased from Edison Rs. 16000
 09.12.2023 Sold goods to Mani Rs. 24000
 12.12.2023 Rent paid Rs. 2200
 14.12.2023 Cash withdraw for personal use Rs. 6500

UNIT-II

- 5 The stock of a material as on 1st April 1998 was 200 units at Rs.2 each. The following purchases and issues were made subsequently. Prepare stores ledger account showing how the value of the issues would be recorded under: CO3 L5 12M
- (i) FIFO and (ii) LIFO methods.
- 1998 April 5 purchases 100 units at Rs.2.20 each.
 10 purchases 150 units at Rs.2.40 each.
 20 purchases 180 units at Rs.2.50 each.
 2 issues 150 units
 7 issues 100 units
 12 issues 100 units
 28 issues 200 units.

OR

- 6 Discuss various methods of calculating depreciation. CO3 L2 12M

UNIT-IV

- 7 Define 'ratio'. Explain its uses, merits and demerits. CO4 L2 12M

OR

- 8 From the following information prepare summarised balance sheet as on 31-3-2023. CO4 L5 12M

Stock turnover ratio 6 times
 Fixed assets turnover ratio 4 times
 Capital turnover ratio 2 times
 Gross profit ratio 20%
 Debt collection period 2 months
 Creditors payment period 73 days
 Gross profit was 60000/-
 Closing stock was Rs. 50000, excess of opening stock.

UNIT-V

- 9 Define cash from operation. Mention some of the differences between cash flow statements and funds flow. CO5 L3 12M

OR

10 The following two years balance sheets belong to VVR Co. LTD.

CO5 L5 12M

Liabilities	2023	2024	Assets	2023	2024
Equity Share Capital	150000	350000	Cash in Hand	70000	100000
10% Preference Share Capital	200000	100000	Cash at Union Bank	60000	80000
17% Debentures	150000	250000	Inventory	70000	50000
Reserves	60000	90000	Sundry Debtors	70000	90000
HDFC Overdrafts	70000	90000	Investments	480000	560000
Sundry Creditors	80000	90000	Plant and Machinery	150000	250000
			Land and Buildings	150000	300000
Provision for Dividend	70000	90000	Goodwill	70000	90000
Provision for Tax	60000	80000	Preliminary Expenses	80000	70000
Profit and Loss A/C S	140000	200000			
Bills payable	70000	60000			
Provision for Depreciation on plant and Machinery	70000	90000			
Provision for Depreciation on Land and Buildings	80000	100000			
	1200000	1590000		1200000	1590000

You are required to prepare a Fund Flow Statement of VVR Co. Ltd with The Help of The Following Additional Information.

During the period part of Land and buildings worth Rs. 20000 (Accumulated depreciation Rs. 5000) were sold for 10000.

Income tax paid 30000

Dividends Paid 30000

Depreciation on plant and machinery and land and buildings were 20000 and 25000 respectively.

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