



-Roll No

PRESIDENCY UNIVERSITY BENGALURU

School of Management

Mid-Term Examinations - March 2024

Odd Semester: I MBA BATCH 2023

Course Code: MBA 2034

Course Name: ACCOUNTING FOR MANAGERS

Department: SOM

Date: 12/ 03 /2024

Time: 02:00Pm – 03:30pm

Max Marks: 50

Weightage: 25%

Instructions:

- (i) Read the all questions carefully and answer accordingly.
- (ii) Do not write any information on the question paper other than roll number.
- (iii) Scientific and non-programmable calculators are permitted.
- (iv) The question paper consists of 3 parts.

PART A

Answer all the Questions. Each question carries 2 marks.

(6Qx 2M= 12M)

1. Accounting is the art of recording, classifying and summarising in a significant manner and in terms of money, transactions and event which are, in part at least, of a financial character and interpreting the results thereof.
---List the internal users of accounting information in a business concern. (CO.1,Knowledge)
2. Financial statements are a collection of summary-level reports about an organization's financial results, financial position, and cash flows.
----- Outline the list of Corporate financial statements (CO 2 Comprehension)
3. Accounting starts with the Recording of all the business transactions which are monetary in nature.
--Show the steps of the Accounting cycle. (CO.1,Knowledge)
4. Accounting is the language of the business and it also helps in identifying the financial position of the business.
----State the objective of accounting. (CO.1,Knowledge)
5. Recall and Identify GAAP in the following transactions: (CO.1,Knowledge)
 - i. Revenues= Expenses + Profit
 - ii. Business and Business owners have different identity
6. A profit and loss (P&L) statement, also known as an income statement, is a financial statement that summarizes the revenues, costs, expenses, and profits/losses of a company during a specified period.
----Outline 3 objectives to prepare the Statement of profit and loss (CO 2 Comprehension)

PART B

7. From the following particulars, prepare Bank Reconciliation Statement as on 31st December, 2023:
(CO.1, Application)

- Debit balance as per Cash Book ₹ 10,000.
- A cheque for ₹ 500 issued in favour of Karan has not been presented for payment
- A sum of ₹ 800 deposited in the bank has not been credited in the Pass Book
- A cheque for ₹ 295 deposited in the bank has been dishonored
- Bank charges Rs. 150
- A customer deposited Rs. 2,000 directly into the Bank account, which was not recorded in the cash book

8. Prepare correct **trial balance** & identify the value of capital from the following: (CO.1, Application)

Name of the account	Debit	Credit
Capital		
Creditors	12,000	
Return Outwards	5,000	
Sales		1,64,000
B/P		5,000
Plant & Machinery	40,000	
Debtors	24,000	
Drawings	10,000	
Purchases	1,05,000	
Return Inwards		3,000
Wages		50,000
Bank		10,000
Repairs		500
Opening stock		20,000
Rent	4,000	
Manufacturing Expenses	8,000	
Trade Expenses	7,000	
Bad Debts	2,000	
Carriage		1,500
Fuel & Power		1,000

9. A machine was purchased by Vikram Ltd for ₹ 90000 on April 1st, 2020. The scrap value at the end of its expected useful life of 4 years is estimated ₹ 24000. Calculate the amount of depreciation and Net Book Value (NBV) for the four years using the Straight Line Method.
Also, calculate the depreciation charges and NBV for the machine for four years using the reducing balance method at a rate of 60%. Assume that the business owning the machine has made a profit before depreciation of ₹20000 for each of the four years in which the asset was held.
Calculate the profit after depreciation for each year under each depreciation method, and comment on your findings.
(CO.1, Application)

PART C

Answer the following Questions.

(1Qx 14M= 14M)

- 10.** From the following Adjusted Trial Balance You are required to prepare statement of Profit and Loss, and the Balance sheet of XYZ Ltd:

(CO.2, Application)

Trial Balance for the Year ending 31.3.2023.

Name of the account	Debit	Credit
Capital		1,00,000
Trade payables		17,000
Return Outwards		5,000
Sales		1,64,000
Plant & Machinery	40,000	
Trade Receivables	24,000	
Drawings	10,000	
Purchases	1,05,000	
Return Inwards	3,000	
Wages	60,500	
Bank	10,000	
Repairs	500	
Opening stock	20,000	
Rent	11,000	
Bad Debts	2,000	
	2,86,000	2,86,000

Adjustment:

- i. Closing Stock amounted to Rs. 50,000