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University of Lucknow MBA (DOC)

First Semester Examination, 2026

QUESTION BANK

Model Question Papers - 5 Sets (Set A - Set E)

FUNDAMENTALS OF FINANCIAL AND MANAGERIAL ACCOUNTING

Paper : MBA(F&A)CC-102 (CORE)

Time : 3 Hours	Maximum Marks : 70

Answer any five questions. All questions carry equal marks.

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Unit	Topic Coverage
I	Basic Concepts of Book Keeping and Accounting - Meaning, Objectives, Merits & Limitations of Accounting; Branches of Accounting; Need & Importance of Accounting Information for Internal and External Users
II	Basic Accounting Process - Journal, Ledger, Trial Balance, Trading and P&L Accounts, Balance Sheet; Capital and Revenue - Concepts of Capital, Revenue and Deferred Revenue Expenditure
III	Cash Book, Bank Reconciliation Statement - Causes of difference between Cash Book and Pass Book balances; Final Accounts with adjustments
IV	Commercial and Non-Commercial System of Accounting - Accounting Standards, Final Accounts with adjustments, Accounting for Non-Commercial Organizations, Inventory Accounting, Depreciation Accounting
V	Recent Developments in Accounting - Value Added Statement, Economic Value Added, Brand Accounting and Accounting for Service Organizations

This question bank contains five model question papers (Set A to Set E), each with ten unified 14-mark questions balanced across all five units of the syllabus, prepared for practice ahead of the University of Lucknow MBA (DOC) First Semester Examination.

Compiled for internal examination preparation and practice.

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16801

MBA (DOC) First Semester Examination, 2026

FUNDAMENTALS OF FINANCIAL AND MANAGERIAL ACCOUNTING

Paper : MBA(F&A)CC-102 (CORE)

[SET - A]

Time : 3 Hours] [M.M. : 70

Note :- Answer any five questions. All questions carry equal marks.

Q.1. Explain the meaning and objectives of accounting, and discuss the merits and limitations of accounting as an information system for a business enterprise. **[14]**

Q.2. Define Book Keeping and Accounting, and distinguish between the two with respect to their scope, nature and objectives. **[14]**

Q.3. Explain the meaning and format of a Journal, and discuss the golden rules of debit and credit applicable to Personal, Real and Nominal Accounts, illustrating each rule with a suitable example. **[14]**

Q.4. From the following transactions of Mr. Sharma for the month of April, pass the necessary Journal entries and post them to the relevant Ledger accounts: (1) Started business with cash Rs. 1,00,000; (2) Purchased goods for cash Rs. 40,000; (3) Sold goods for cash Rs. 60,000; (4) Paid rent Rs. 5,000; (5) Purchased furniture for cash Rs. 10,000. **[14]**

Q.5. Explain the meaning and types of Cash Book, namely Single Column, Double Column and Triple Column Cash Book, bringing out the distinguishing features of each. **[14]**

Q.6. Explain the meaning and need for a Bank Reconciliation Statement, and discuss the various causes of difference between the balance shown by the Cash Book and the Pass Book. **[14]**

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Q.7. Explain the meaning and objectives of Accounting Standards, and discuss the need for standardization of accounting policies and practices in the preparation of financial statements. **[14]**

Q.8. Briefly explain any four Accounting Standards issued for the preparation and presentation of financial statements, and discuss their significance in ensuring comparability and reliability of accounts. **[14]**

Q.9. Explain the meaning and concept of Value Added, and distinguish a Value Added Statement from a Profit and Loss Account. **[14]**

Q.10. From the following information of a company for the year ended 31 March: Sales Rs. 10,00,000; Cost of bought-in materials and services Rs. 6,00,000; Wages and Salaries paid to employees Rs. 1,50,000; Interest and Dividend paid to providers of capital Rs. 80,000; Taxes paid to Government Rs. 70,000 - prepare a Value Added Statement showing the total value added and its application, and determine the amount retained for reinvestment and growth. **[14]**

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MBA (DOC) First Semester Examination, 2026

FUNDAMENTALS OF FINANCIAL AND MANAGERIAL ACCOUNTING

Paper : MBA(F&A)CC-102 (CORE)

[SET - B]

Time : 3 Hours] [M.M. : 70

Note :- Answer any five questions. All questions carry equal marks.

Q.1. Discuss the meaning and principles of the Double Entry System of Book Keeping, bringing out its advantages over the Single Entry System. **[14]**

Q.2. Explain the various branches of accounting, namely Financial Accounting, Cost Accounting and Management Accounting, bringing out the distinguishing features of each. **[14]**

Q.3. Explain the meaning and utility of a Trial Balance, and discuss the various methods of preparing a Trial Balance, along with the types of errors that a Trial Balance fails to disclose. **[14]**

Q.4. From the following balances extracted from the books of a trader as on 31 March, prepare a Trial Balance as on that date, showing the total of the debit and credit columns: Capital Rs. 80,000; Drawings Rs. 6,000; Sundry Debtors Rs. 30,000; Sundry Creditors Rs. 18,000; Purchases Rs. 1,20,000; Sales Rs. 1,70,000; Opening Stock Rs. 20,000; Wages Rs. 12,000; Salaries Rs. 10,000; Cash in Hand Rs. 5,000; Furniture Rs. 15,000; Plant and Machinery Rs. 54,000; Bank Overdraft Rs. 10,000; Discount Received Rs. 2,000; Rent Rs. 8,000. **[14]**

Q.5. The Cash Book of a trader showed a debit balance of Rs. 25,000 as on 31 March. On comparing it with the Pass Book, it was found that: cheques issued but not yet presented for payment amounted to Rs. 6,000; cheques deposited into the bank but not yet credited amounted to Rs. 4,000; bank charges of Rs. 500 debited by the bank were not recorded in the Cash Book; and interest of Rs. 300 allowed by the bank was not recorded in the Cash Book. Prepare a Bank Reconciliation Statement to ascertain the balance as per the Pass Book. **[14]**

Q.6. Explain, with suitable examples, the various items that cause the balance as per Cash Book to differ from the balance as per Pass Book, distinguishing between timing differences and errors. **[14]**

Q.7. From the following balances of a trader as on 31 March, prepare a Trading and Profit and Loss Account after making the necessary adjustments, and ascertain the Net Profit: Capital Rs. 1,50,000; Purchases Rs. 1,00,000; Sales Rs. 1,80,000; Opening Stock Rs. 25,000; Wages Rs. 15,000; Salaries Rs. 18,000; Insurance Rs. 6,000; Sundry Debtors Rs. 50,000; Sundry Creditors Rs. 30,000; Machinery Rs. 60,000; Cash Rs. 10,000; Drawings Rs. 8,000. Adjustments: Closing Stock Rs. 30,000; Outstanding Wages Rs. 3,000; Prepaid Insurance Rs. 1,500; Depreciation on Machinery at 10 percent per annum. **[14]**

Q.8. Explain the meaning and distinctive features of accounting for Non-Commercial Organizations, and distinguish between a Receipt and Payment Account and an Income and Expenditure Account. **[14]**

Q.9. Discuss the importance of the Value Added Statement as a tool of corporate reporting, and examine the criticisms levelled against its use as a measure of performance. **[14]**

Q.10. Explain the meaning and concept of Economic Value Added, and discuss the formula used for its computation. **[14]**

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MBA (DOC) First Semester Examination, 2026

FUNDAMENTALS OF FINANCIAL AND MANAGERIAL ACCOUNTING

Paper : MBA(F&A)CC-102 (CORE)

[SET - C]

Time : 3 Hours] [M.M. : 70

Note :- Answer any five questions. All questions carry equal marks.

Q.1. Discuss the need and importance of accounting information for internal users such as management and employees of a business enterprise. **[14]**

Q.2. Discuss the need and importance of accounting information for external users such as investors, creditors, government and the general public. **[14]**

Q.3. Explain the meaning and preparation of a Trading Account, and discuss how Gross Profit or Gross Loss is ascertained from it. **[14]**

Q.4. From the following particulars, prepare a Trading and Profit and Loss Account for the year ended 31 March, and show the amount of Gross Profit and Net Profit: Opening Stock Rs. 20,000; Purchases Rs. 1,20,000; Purchase Returns Rs. 5,000; Wages Rs. 12,000; Sales Rs. 1,70,000; Sales Returns Rs. 4,000; Closing Stock Rs. 25,000; Salaries Rs. 10,000; Rent Rs. 8,000; Discount Received Rs. 2,000; Discount Allowed Rs. 1,000; Depreciation Rs. 3,000. **[14]**

Q.5. The Pass Book of a trader showed a credit balance of Rs. 40,000 as on 31 March. On comparison with the Cash Book it was found that: cheques amounting to Rs. 8,000 deposited into the bank had not yet been credited by the bank; cheques issued amounting to Rs. 5,000 had not yet been presented for payment; a customer deposited Rs. 2,000 directly into the bank account which was not recorded in the Cash Book; and bank charges of Rs. 200 charged by the bank were not recorded in the Cash Book. Prepare a Bank Reconciliation Statement to ascertain the balance as per the Cash Book. **[14]**

Q.6. Explain the meaning and objectives of preparing Final Accounts with adjustments, and discuss the accounting treatment of Closing Stock, Outstanding Expenses, Prepaid Expenses and Depreciation. **[14]**

Q.7. From the following Receipts and Payments Account of a club for the year ended 31 March - Receipts: Subscriptions Rs. 60,000, Donations Rs. 5,000, Interest Received Rs. 2,000; Payments: Salaries Rs. 20,000, Rent Rs. 12,000, Sports Equipment Purchased Rs. 15,000, General Expenses Rs. 8,000 - and given that Subscriptions outstanding for the current year amount to Rs. 4,000 and Subscriptions received in advance amount to Rs. 2,000, prepare the Income and Expenditure Account of the club for the year, treating the Sports Equipment as a capital item, and ascertain the amount of surplus or deficit. **[14]**

Q.8. Explain the meaning and importance of Inventory Accounting, and discuss the various methods of inventory valuation, namely First-In-First-Out, Last-In-First-Out and Weighted Average Method. **[14]**

Q.9. A company has a Net Operating Profit after Tax of Rs. 25,00,000. Its Capital Employed is Rs. 1,00,00,000 and its Weighted Average Cost of Capital is 12 percent. Calculate the Economic Value Added of the company, and briefly explain the significance of a positive Economic Value Added. **[14]**

Q.10. Discuss the significance of Economic Value Added as a measure of corporate performance, and examine how it helps in aligning managerial decisions with shareholder wealth maximization. **[14]**

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MBA (DOC) First Semester Examination, 2026

FUNDAMENTALS OF FINANCIAL AND MANAGERIAL ACCOUNTING

Paper : MBA(F&A)CC-102 (CORE)

[SET - D]

Time : 3 Hours] [M.M. : 70

Note :- Answer any five questions. All questions carry equal marks.

Q.1. Explain the basic accounting concepts, namely the Going Concern Concept, Accrual Concept, Consistency Concept and Matching Concept, with suitable examples. **[14]**

Q.2. Explain the basic accounting conventions, namely Conservatism, Full Disclosure, Materiality and Consistency, and discuss their significance in the preparation of financial statements. **[14]**

Q.3. Explain the meaning and format of a Balance Sheet, and discuss the marshalling of assets and liabilities under the orders of liquidity and permanence. **[14]**

Q.4. Distinguish between Capital Expenditure and Revenue Expenditure, and explain the concept of Deferred Revenue Expenditure with suitable examples. **[14]**

Q.5. From the following balances of a trader as on 31 March, prepare a Trading and Profit and Loss Account after making the necessary adjustments, and ascertain the Net Profit: Capital Rs. 1,00,000; Purchases Rs. 80,000; Sales Rs. 1,50,000; Opening Stock Rs. 15,000; Wages Rs. 10,000; Salaries Rs. 12,000; Rent Rs. 6,000; Sundry Debtors Rs. 40,000; Sundry Creditors Rs. 20,000; Furniture Rs. 30,000; Cash Rs. 7,000; Drawings Rs. 5,000. Adjustments: Closing Stock Rs. 20,000; Outstanding Salaries Rs. 2,000; Prepaid Rent Rs. 1,000; Depreciation on Furniture at 10 percent per annum. **[14]**

Q.6. Explain the meaning and accounting treatment of Provision for Doubtful Debts and Provision for Discount on Debtors while preparing Final Accounts. **[14]**

Q.7. A trader purchased raw material as follows: 1 January - 100 units at Rs. 20 per unit; 10 January - 150 units at Rs. 22 per unit; 20 January - 100 units at Rs. 25 per unit. On 15 January, 200 units were issued for production. Using the First-In-First-Out (FIFO) method, calculate the cost of units issued on 15 January and the value of the closing stock of raw material as on 31 January. **[14]**

Q.8. Explain the meaning, causes and need for providing Depreciation, and discuss the various factors that determine the amount of depreciation to be charged on a fixed asset. **[14]**

Q.9. Explain the meaning, features and importance of Brand Accounting, and discuss the various methods used for the valuation of brands. **[14]**

Q.10. Discuss the difficulties involved in the valuation of brands, and examine the accounting treatment of brands as intangible assets in the financial statements of a company. **[14]**

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MBA (DOC) First Semester Examination, 2026

FUNDAMENTALS OF FINANCIAL AND MANAGERIAL ACCOUNTING

Paper : MBA(F&A)CC-102 (CORE)

[SET - E]

Time : 3 Hours] [M.M. : 70

Note :- Answer any five questions. All questions carry equal marks.

Q.1. Discuss the qualitative characteristics of useful accounting information, namely relevance, reliability, comparability and understandability. **[14]**

Q.2. Examine the role of accounting in modern business, and discuss how accounting information assists management in planning, controlling and decision-making. **[14]**

Q.3. Distinguish between Capital Receipts and Revenue Receipts, and explain the concept of Capital Profit and Revenue Profit with suitable examples. **[14]**

Q.4. Explain the meaning and significance of the accounting equation (Assets = Liabilities + Capital), and discuss how the preparation of the Trading and Profit and Loss Account and the Balance Sheet are inter-related. **[14]**

Q.5. From the following transactions, prepare a Double Column (Cash and Bank) Cash Book for the month of April and ascertain the closing balances of Cash and Bank: April 1 - Balances brought forward: Cash Rs. 8,000, Bank Rs. 25,000; April 5 - Received cash from Ram Rs. 4,000; April 10 - Cash deposited into Bank Rs. 5,000; April 15 - Paid to Shyam by cheque Rs. 6,000; April 20 - Cash Sales Rs. 3,000; April 25 - Cash withdrawn from Bank for office use Rs. 2,000; April 30 - Paid Rent by cheque Rs. 1,500. **[14]**

Q.6. Explain the meaning and accounting treatment of Bad Debts, Further Bad Debts and Provision for Doubtful Debts while preparing the Final Accounts of a trading concern. **[14]**

Q.7. A machine was purchased for Rs. 60,000 having an estimated scrap value of Rs. 6,000 and a useful life of 6 years. Calculate the amount of annual depreciation under the Straight Line Method. Also calculate the depreciation for the first two years and the book value of the machine at the end of the second year, if depreciation is instead charged at 20 percent per annum under the Written Down Value Method. **[14]**

Q.8. A firm purchased a machine for Rs. 40,000 on 1 April. Depreciation is charged at 10 percent per annum under the Written Down Value Method. Calculate the amount of depreciation for each of the first three years and determine the book value of the machine at the end of the third year. **[14]**

Q.9. Explain the meaning and distinguishing features of accounting for Service Organizations as compared to trading and manufacturing organizations. **[14]**

Q.10. Discuss the special accounting problems relevant to Service Organizations, such as revenue recognition and matching of costs, with reference to the nature of services rendered. **[14]**