





6. Match the following :

- |                         |                  |
|-------------------------|------------------|
| 1) Financial Coverage   | A) Efficiency    |
| 2) Quick ratio          | B) Profitability |
| 3) Stock turnover ratio | C) Risk          |
| 4) Margin on sales      | D) Liquidity     |

**Codes :**

- |                               |                               |
|-------------------------------|-------------------------------|
| a) 1 – C, 2 – D, 3 – A, 4 – B | b) 1 – D, 2 – C, 3 – A, 4 – B |
| c) 1 – D, 2 – C, 3 – B, 4 – A | d) 1 – C, 2 – D, 3 – B, 4 – A |

7. Give the expansion of SBH

- |                            |                             |
|----------------------------|-----------------------------|
| a) Standard Business Hours | b) Standard Budget Hours    |
| c) Statutory Budget Hours  | d) Statutory Business Hours |

8. Find the suitable one :

- |                                |   |
|--------------------------------|---|
| a) $MPV = (SP - AP) \times AQ$ | b) $MPV = (AP - SP) \times AQ$              |
| c) $MPV = (AQ - AP) \times SP$ | d) $MPV = (SP - AQ) \times AP$ <b>(W=1)</b> |

#### PART – B

Answer **any eight** questions in **one** or **two** sentences **each**. **Each** question carries a weightage of **one**.

9. What is the meaning of Management Accounting ?
10. List two objectives of Management Accounting.
11. Define cash flow statement.
12. Write the procedure for calculating trends.
13. State two limitations of Inter-firm or Intra-firm Comparison.
14. What do you mean by operating profit ratio ?
15. Calculate P/V ratio :
  - a) Profit Rs. 2,00,000, Margin of safety Rs. 4,00,000
  - b) Fixed cost Rs. 1,00,000, B.E.P. Rs. 4,00,000.
16. Calculate Material Variances from the following information :  
 $SQ = 40$  kg,  $SP = Rs.10$  per kg,  $AQ = 48$  kg,  $AP = 12$  per kg.
17. Distinguish between budget and budgetary control.
18. What do you mean by "Key Factor" ?

**(W=8×1=8)**



PART – C

Answer **any six** questions. Answer **not** to exceed **one** page. **Each** carries a weightage of **two**.

19. Explain in detail the sources of funds in fund flow statement.

20. What are the limitations of Accounting Ratios ?

21. Calculate :

i) Debtors Turnover and

ii) Average collection period from the following information :

	<b>31<sup>st</sup> March 2013</b>	<b>31<sup>st</sup> March 2014</b>
	<b>Rs.</b>	<b>Rs.</b>
Debtors in the beginning	70,000	80,000
Debtors at the end	90,000	1,00,000
Annual credit sales	6,00,000	7,00,000
Days to be taken for the year 360.		

22. A manufacturing company plans to sell 1,08,000 units of a certain product line in the first quarter 1,20,000 units in the second quarter, 1,32,000 units in the third quarter and 1,56,000 units in the fourth quarter and 1,38,000 units in the first quarter of the following year. At the beginning of the first quarter of the current year, there are 18,000 units of products in the stock. At the end of each quarter, the company plans to have an inventory equal to one-sixth of the sales for the next fiscal year.

How many units must be manufactured in each quarter of the current year ?

23. Calculate the amount of fixed expenses from the following information :

Sales Rs. 1,20,000

Direct materials Rs. 40,000

Direct labour Rs. 25,000

Variable expenses Rs. 10,000 and profit Rs. 25,000.

24. Prepare necessary accounts of find out sources/applications of funds from the following extracts of Balance Sheets of AB Company Ltd.

	<b>As on 31<sup>st</sup> March</b>	<b>As on 31<sup>st</sup> March</b>
	<b>2012 (Rs.)</b>	<b>2013 (Rs.)</b>
Equity share capital	6,00,000	7,00,000
10% Preference share capital	3,00,000	2,50,000

**Additional information :**

1) Equity shares were issued during the year against purchase of machinery for Rs. 75,000.

2) 10% preference shares worth Rs. 1,50,000 were redeemed during the year.



25. Discuss the characteristics features of ideal financial statements.

26. Calculate :

1) Current assets

2) Liquid assets

3) Inventory

Current Ratio = 2.6 : 1

Liquid Assets = 1.5 : 1

Current Liabilities = Rs. 40,000.

(W=6×2=12)

#### PART – D

Answer **any two** questions. **Each** question carries a weightage of **four**.

27. Discuss the advantages and limitations of Management Accounting.

28. Calculate from the following data :

a) B. E. P. in Rs.

b) Number of units that must be sold to earn a profit of Rs. 80,000.

c) How many units must be sold to earn 10% of sales ?

Selling price p. u. Rs. 20.

Variable selling overhead p.u. Rs. 10.

Fixed factory overhead Rs. 7,50,000.

Fixed selling overhead Rs. 2,50,000.

29. The income statements of XY Ltd. are given for the year ending 31<sup>st</sup> December 2013 and 2014. Rearrange the figures in a comparative form and study the profitability position of the company.

	2013	2014
	Rs. (000)	Rs. (000)
Net sales	800	950
Cost of goods sold	500	600
Operating expenses :		
General and administrative expenses	80	82
Selling expenses	90	100
Non-operating expenses :		
Interest paid	30	35
Income tax	50	60

(W=2×4=8)