

Reg. No.:	
Name :	

VI Semester B.Com. Degree (CCSS – Reg./Supple./Improv.) Examination, May 2015 CORE COURSE IN COMMERCE 6B14 COM: Management Accounting (2012 Admn.)

Time: 3 Hours Max. Weightage: 30

PART-A

	Length of the land of the land	-A	
	part consist of two bunches of question bunch consist of four objective type q	ons carrying equal weightage of one . uestions. Answer all questions.	
l. 1.	Which of the following is not the function a) Planning c) Evaluating	on of management accounting? b) Reporting d) Cost ascertainment	
2.	The equation for the debt equity ratio a) Long term debt / Equity capital c) Current assets / Current liability	is b) Liquid assets / Current liability d) Net profit / Net sales	
3.	a) a Substitute of Income Statement b) a Substitute of Balance Sheet c) a Substitute of Profit and Loss Acc d) a Tool of Management		
4.	Current ratio is a ratio. a) Trading Account c) Profitability	b) Profit and Loss d) Balance Sheet (W=1))
II. 5.	Sales Rs. 1	ar 2013 Year 2014 10,00,000 Rs. 15,00,000 1,00,000 Rs. 2,00,000 b) Rs. 2,00,000 d) Rs. 3,00,000	
	c) ns. 5,00,000	u) hs. 5,00,000	-



- 6. Match the following:
 - 1) Financial Coverage
 - 2) Quick ratio
 - 3) Stock turnover ratio
 - 4) Margin on sales

Codes:

- a) 1-C, 2-D, 3-A, 4-B
- c) 1 D, 2 C, 3 B, 4 A
- 7. Give the expansion of SBH
 - a) Standard Business Hours
 - c) Statutory Budget Hours
- 8. Find the suitable one:
 - a) $MPV = (SP AP) \times AQ$
 - c) $MPV = (AQ AP) \times SP$

- A) Efficiency
- B) Profitability
- C) Risk
- D) Liquidity
- b) 1 D, 2 C, 3 A, 4 B
- d) 1-C, 2-D, 3-B, 4-A
- b) Standard Budget Hours
- d) Statutory Business Hours
- b) $MPV = (AP SP) \times AQ$
- d) $MPV = (SP AQ) \times AP$

(W=1)

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.
- 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:

	31st March 2013	31st March 2014	
	Rs.	Rs.	
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.	tallowing data		

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.

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

	As on 31 st March 2012 (Rs.)	As on 31 st March 2013 (Rs.)
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 themsels a wolf bout or should be supply as the set in the minimum and a set in the set in th
 - 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 31st December 2013 and 2014. Rearrange the figures in a comparative form and study the profitability position of the company.

	2013	2014	
and cloth Rs. 28,000, 10 constant	Rs. (000)	Rs. (000)	
Net sales	800	950	
Cost of goods sold	500	600	
Operating expenses:			
General and administrative expenses	80	82	
Selling expenses 000 000	90	100	
Non-operating expenses:			
Interest paid	30	35	
Income tax	50	60	
		(W=2×4=8	3)