



K22U 0179

Reg. No. : .....

Name : .....

VI Semester B.Com. Degree (CBCSS-Supple./Improv.)  
Examination, April 2022  
(2016-2018 Admissions)

Core Course

6B15 COM : MANAGEMENT ACCOUNTING

Time : 3 Hours

Max. Marks : 40

PART – A

I. Answer **all** questions. **Each** carries  $\frac{1}{2}$  mark.

- 1)  $100 - \text{Operating Profit ratio} = \underline{\hspace{2cm}}$
- 2)  $\underline{\hspace{2cm}}$  is also known as Gross Margin.
- 3) In PV ratio, 'P' and 'V' stands for  $\underline{\hspace{2cm}}$  and  $\underline{\hspace{2cm}}$ .
- 4) CVP analysis is the core application of  $\underline{\hspace{2cm}}$  costing.

( $4 \times \frac{1}{2} = 2$ )

PART – B

II. Answer **any four** questions. **Each** carries **one** mark.

- 5) Define financial analysis.
- 6) What is 'profit graph' ?
- 7) What is Zero Base Budget ?
- 8) Give any two limitations of Cash Flow Statement.
- 9) List out structural ratios.
- 10) What is calendar variance ?

( $4 \times 1 = 4$ )

PART – C

III. Answer **any six** questions (**not** exceeding **one** page). **Each** carries **three** marks.

- 11) Explain the benefits of financial analysis and interpretation.
- 12) Differentiate between marginal costing and traditional absorption costing.
- 13) Brief the limitations of ratio analysis.

P.T.O.



- 14) Explain the types of standards.  
 15) The sales turn over and cost of sales during the two periods were as follows :

Year	Sales (Rs.)	Profit (Rs.)
2017-18	1,40,000	15,000
2018-19	1,60,000	20,000

Calculate : P/V Ratio, Sales to earn a profit of Rs. 40,000 and profit when sales are Rs. 1,20,000.

- 16) Standard material required to produce one unit is 20 kgs. A standard price of Rs. 3 per kg is fixed and 400 units were produced during the period by using 7800 kgs. of materials at a cost of Rs. 24,960. Calculate Material variances.

- 17) Prepare a Comparative Balance Sheet from the following data :

	31-3-2019 (Rs. in lakh)	31-3-2018 (Rs. in lakh)
Equity share capital	50	50
Fixed assets	72	60
Reserves and surplus	12	10
Investments	10	8
Long term loan	30	32
Current assets	21	30
Current liabilities	11	6

- 18) Net income reported on the income statement for the year was Rs. 1,10,000 and depreciation for fixed assets for the year was Rs. 44,000. The opening and closing balances of current assets and liabilities accounts for the year are as follows.

	Closing balance (Rs.)	Opening balance (Rs.)
Cash	1,30,000	1,40,000
Debtors	2,00,000	1,80,000
Inventories	2,90,000	3,00,000
Prepaid expenses	15,000	16,000
Accounts payable	1,02,000	1,16,000

Calculate cash from operating activities.



PART – D

IV. Answer **any two** questions. **Each** carries **eight** marks.

19) The ratios relating to Franco Ltd. are given as follows :

- Gross profit ratio : 15%
- Stock velocity : 6 months
- Average collection period : 3 months
- Creditor's velocity : 3 months

Gross profit for the year ending Dec. 31.2019 amounts to Rs. 60,000. Closing stock is equal to opening stock.

Find out :

- a) Sales
- b) Closing stock
- c) Sundry debtors
- d) Sundry creditors.

20) A company is expecting to have Rs. 32,000 cash in hand on 01.04.2020 and it requests you to prepare cash budget for the three months-April to June 2020. The following information is supplied to you :

Month	Sales (Rs.)	Purchases (Rs.)	Wages (Rs.)	Expenses (Rs.)
February	70,000	44,000	6,000	5,000
March	80,000	56,000	9,000	6,000
April	96,000	60,000	9,000	7,000
May	1,00,000	68,000	11,000	9,000
June	1,20,000	62,000	14,000	9,000

**Other Information :**

- a) Period of credit allowed by suppliers is two months
  - b) 25% of sales is for cash and the period of credit allowed to customers for credit sales is one month
  - c) Delay in payment of wages and expenses one month
  - d) Income tax Rs. 28,000 is to be paid in June 2020.
- 21) A) Construct a simple break even chart with necessary labels from the following data :
- Sales 7,000 units @ Rs. 10 each.
  - Fixed cost : Rs. 20,000
  - Variable cost : Rs. 6 per unit.
- B) Calculate BEP and Margin of Safety from the above data. (2×8=16)