K24U 0177

Reg. No. : .....

Name : .....

VI Semester B.Com. Degree (C.B.C.S.S. – OBE – Regular /Supplementary/ Improvement) Examination, April 2024
(2019 to 2021 Admissions)
Core Course
6B13COM : MANAGEMENT ACCOUNTING

Time : 3 Hours Max. Marks : 40

PART – A

Answer **any six** questions from the following. **Each** question carries **one** mark.

1. What is current ratio ?
2. List out two examples for financing activities.
3. What is Break Even Point ?
4. Define Management accounting.
5. What is budgeting ?
6. What is cash outflow ?
7. What is contribution ?
8. What is trend analysis ? **(6×1=6)**

PART – B

Answer **any six** questions from the following. **Each** question carries **3** marks.

9. Differentiate between management accounting and financial accounting.
10. What are the features of marginal costing ? Explain.

P.T.O.

11. What are the uses of cash flow statement ?

12. What are the limitations of financial statements ? Explain.

13. From the following information, prepare comparative income statement and comment.

Particulars	2020 (Rs. in lakh)	2021 (Rs. in lakh)
Net sales	350	420
Cost of goods sold	240	300
Office expenses	30	36
Selling expenses	20	30

14. From the following, calculate the ratio of total assets to total debt :

Particulars	Amount
Assets less depreciation	6,00,000
Current assets	3,00,000
Current liabilities	1,75,000
8% Debentures	2,00,000
Mortgage	2,25,000

15. The total fixed cost for the year is Rs. 90,000. Selling price per unit is Rs. 18 and variable cost per unit is Rs. 12. Calculate the Break Even Point output.

16. From the following Income Statement, calculate cash flow from operating activities by Direct methods :

Debit	Rs.	Credit	Rs.
To Material Purchases	50,000	By Sales (Cash)	1,05,000
" Wages paid	16,000	" Commission due	8,000
" Wages outstanding	2,000	" Commission received	7,000
" Salaries	15,000		
" Salaries outstanding	5,000		
" Loss on Sale of Plant	3,000		
" Net profit (balancing figure)	29,000		
	1,20,000		**1,20,000**

(6×3=18)

PART – C

Answer **any two** questions from the following. **Each** question carries **8** marks.

17. Prepare a cash flow statement on the basis of the information given in the balance sheet of P S Limited

Liabilities	2011 (Rs.)	2012 (Rs.)	Assets	2011 (Rs.)	2012 (Rs.)
Share Capital	2,00,000	2,50,000	Goodwill	10,000	2,000
12% Debentures	1,00,000	80,000	Land and Building	2,00,000	2,80,000
General Reserve	50,000	70,000	Machinery	1,00,000	1,30,000
Creditors	40,000	60,000	Debtors	40,000	60,000
Bills Payable	20,000	1,00,000	Stock	70,000	90,000
Outstanding Exp.	25,000	20,000	Cash	15,000	18,000
	4,35,000	**5,80,000**		**4,35,000**	**5,80,000**

18. For production of 10,000 electric automatic irons, the following are the budgeted expenses :

Particulars	Per unit
Direct materials	25
Direct labour	15
Variable production overheads	5
Fixed production overheads (Rs. 1,50,000)	15
Total	**60**
Selling expenses (10% fixed)	15
Administrative expenses (fixed) Rs. 50,000	5
Distribution expenses (20% fixed)	5
Total	**85**

Prepare a flexible budget for 6000 units, 7000 units and 8000 units of production.

19. If margin of safety is 2,40,000 (40% of sales) and P/V ratio is 30% of AB Ltd., calculate its

    1) Break-even sales; and

    2) Amount of profit on sales of 9,00,000.

(2×8=16)

K23U 0436

Reg. No. : .....

Name : .....

NAIPUNNYA JYOTHI COLLEGE
670511

VI Semester B.Com. Degree (CBCSS – OBE-Regular/Supplementary/ Improvement) Examination, April 2023
(2019 and 2020 Admissions)
Core Course
6B13COM : MANAGEMENT ACCOUNTING

Time : 3 Hours Max. Marks : 40

PART – A

I. Answer **any six** questions. **Each** question carries **1** marks.

1) What is contribution ?
2) What is Acid Test Ratio ?
3) What is key factor ?
4) What is Master Budget ?
5) What is Trend analysis ?
6) What is BEP ?
7) What is Marginal Cost ?
8) What is the nature of Financial Statement Analysis ? **(6×1=6)**

PART – B

II. Answer **any six** questions. **Each** question carries **3** marks.

9) Calculate Debtors Turnover Ratio and Average Debt Collection Period from the following :

	₹
Total sales for the year 2022	1,00,000
Cash sales for the year 2022	20,000
Debtors as on 1-1-2022	10,000
Debtors as on 31-12-2022	15,000
Bills receivable as on 1-1-2022	7,500
Bills receivables as on 31-12-2022	12,500

P.T.O.

10) Calculate the trend percentages from the following figures of the company taking 2015 as the Base. Also interpret the result.

Year	Sales (in Lakhs)	Profit (In lakhs)
2015	30	5
2016	40	8
2017	48	10
2018	56	15
2019	70	20
2020	90	24

11) The following are obtained from the records of a factory.

	Rs.
Sales (4,000 units @ Rs. 25 each)	1,00,000
Variable Cost	72,000
Fixed Expenses	16,800

Calculate :

i) P/V ratio

ii) Break even points in Rs.

iii) Margin of safety

iv) If it is proposed to reduce the selling price by 20% what extra units should be sold to obtain the same amount of profit ?

12) Balance sheet of Ram Ltd. as at 31-12-2022 is as follows :

Liabilities	Rs.	Assets	Rs.
Equity Capital	2,00,000	Fixed assets	3,60,000
9% Preference Share Capital	1,00,000	Stock	50,000
8% Debentures		Debtors	1,10,000
P & L A/c	1,00,000	Bills Receivable	6,000
Creditors	40,000	Bank Balance	4,000
	90,000		
	5,30,000		**5,30,000**

Calculate :

1) Debt-Equity Ratio
2) Proprietary Ratio
3) Solvency Ratio
4) Fixed Asset Ratio
5) Ratio of long term debt to shareholders fund
6) Fixed assets to Networth Ratio
7) Capital Gearing Ratio.

13) What are the advantages of ratio analysis ?

14) What are the managerial uses of Marginal costing ?

15) What are the steps in the preparation of budgets ?

16) What are the major differences between Management accounting and Cost accounting ? **(6×3=18)**

PART – C

III. Answer **any two** questions from the following. **Each** question carries **8** marks.

17) The following information in respect of Product A and B of a firm is given :

	Product A	**Product B**
Sales price	Rs. 75	Rs. 48
Direct Material	Rs. 30	Rs. 30
Direct Labour Hours (Re 0.50 per hour)	15 hours	2 hours

Variable overhead - 100% of direct wages

Fixed overhead - Rs. 3,000

Present the above information to show the profitability of products during labour shortage.

18) Parkins Ltd. supplies the following Balance sheet as on 31st December 2020 and 2021.

Balance Sheet

Liabilities	**31/03/2020**	**31/03/2021**	**Assets**	**31/03/2020**	**31/03/2021**
Share Capital	70,000	74,000	Cash at bank	9,000	7,800
Bonds	12,000	6,000	Accounts receivable	14,900	17,700
Accounts Payable	10,360	11,840	Inventories	49,200	42,700
Provision for bad debts	700	800	Land	20,000	30,000
Reserves and surplus	10,040	10,560	Goodwill	10,000	5,000
	1,03,100	**1,03,200**		**1,03,100**	**1,03,200**

The following additional information has also been given to you :

1) Dividends amounting to Rs. 3,500 were paid during the year 2020-21.
2) Land was purchased for Rs. 10,000.
3) Rs. 5,000 were written off on goodwill during the year .
4) Bonds of Rs. 6,000 were repaid during the course of the year.

You are required to prepare a cash flow statement.

19) The expenses for the production of 5,000 units in a factory are given below :

	Per Unit (Rs.)
Materials	50
Labour	20
Variable overheads	15
Fixed overhead	10
Administrative Expenses (5% Variable)	10
Selling Expenses (20% fixed)	6
Distribution expenses (10% fixed)	5
Total Cost of sales per unit	**116**

You are required to prepare a budget for the production of 7000 units. **(2×8=16)**

K22U 0336

Reg. No. : .....

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VI Semester B.Com. Degree (CBCSS – OBE – Regular) Examination, April 2022
(2019 Admission)
Core Course
6B13 COM : MANAGEMENT ACCOUNTING

Time : 3 Hours Max. Marks : 40

PART – A

Answer **any six** questions from the following. **Each** question carries **1** mark.

1. Define management accounting.
2. Distinguish between horizontal and vertical analysis.
3. Briefly explain the classifications of Cash Flows.
4. What are financial statements ?
5. What do you mean by flexible budget ?
6. What is angle of incidence ?
7. Explain the term 'break-even-point'. How is it determined ?
8. Current Ratio = 3:1, Quick Ratio = 1:2:1, Working Capital = Rs. 1,80,000. Calculate current assets. **(6×1=6)**

PART – B

Answer **any six** questions from the following. **Each** question carries **3** marks.

9. How does Management Accounting differ from Cost Accounting ?
10. "The technique of marginal costing can be a valuable aid to management". Discuss.
11. Discuss in detail the functions of management accounting.
12. What is meant by budgetary control system ? What are its objectives ?

P.T.O.

13. Prepare common size income statement of X Ltd. for the year ended 31-3-2021.

Particulars	(Rs.)
Net sales	8,00,000
Cost of goods sold	5,00,000
Administrative expenses	60,000
Non-operating income	2,00,000
Office expenses	40,000
Interest paid	10,000
Tax	20,000

14. A company is expecting to have Rs. 32,000 cash in hand on 01-04-2021 and requests you to prepare cash budget for the three months, April to June 2021. The following details are given :

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

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 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 2021.

15. Following are the Balance Sheets of AB Ltd. as on 31-03-2020 and 2021.

Liabilities	2020 (Rs.)	2021 (Rs.)	Assets	2020 (Rs.)	2021 (Rs.)
Share capital	1,00,000	1,50,000	Fixed assets	2,00,000	3,00,000
Reserves	1,00,000	1,00,000	Current assets	50,000	80,000
Loan	20,000	80,000			
Current liabilities	30,000	50,000			
	2,50,000	**3,80,000**		**2,50,000**	**3,80,000**

Prepare a comparative Balance Sheet.

16. The following information, calculate Net Cash Flow from Operating Activities.

Particulars	Amount (Rs.)
Cash sales	2,00,000
Collection from trade debtors	8,00,000
Payment to suppliers	3,00,000
Payment to employees	2,00,000
Administration expenses paid	1,50,000
Selling expenses paid	50,000
Sale of fixed assets	1,00,000
Sale of investments	80,000
Depreciation	25,000
Income Tax paid	20,000

(6×3=18)

PART – C

Answer **any two** questions from the following. **Each** question carries **8** marks.

17. The following details are available from a company :

Liabilities	2020 (Rs.)	2021 (Rs.)	Assets	2020 (Rs.)	2021 (Rs.)
Share capital	70,000	74,000	Cash	9,000	7,800
Debentures	12,000	6,000	Debtors	14,900	17,700
Reserve for doubtful debts	700	800	Stock	49,200	42,700
Trade creditors	10,360	11,840	Land	20,000	30,000
P/L A/C	10,040	10,560	Goodwill	10,000	5,000
	1,03,100	**1,03,200**		**1,03,100**	**1,03,200**

In addition, you are given :

Dividend paid : Rs. 3,500, Land purchased : Rs. 10,000, Amount provided for amortisation of goodwill : Rs. 5,000, debenture paid off : Rs. 6,000. Calculate cash flow statement.

18. The following are the ratios relating to the activities of N Ltd.

Gross profit ratio : 20%

Stock velocity : 4 Months

Debtors velocity : 3 Months

Creditors velocity : 2 Months

Gross profit for the year ended 31-03-2021 amounts to Rs. 60,000. Closing stock of the year is Rs. 10,000 more than the opening stock. Find out :

i) Sales ii) Closing stock iii) Sundry debtors iv) Sundry creditors.

19. From the following data, you are required to calculate :

a) P/V Ratio

b) Break-even sales with the help of P/V Ratio

c) Sales required to earn a profit of Rs. 4,50,000

Fixed expenses : Rs. 90,000

Variable cost per unit

Direct material : Rs. 5

Direct labour : Rs. 2

Direct overheads : 100% of direct labour

Selling price per unit : Rs. 12. **(2×8=16)**