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)**

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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)**

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K22U 0336

Reg. No. : .....

Name : .....

# 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)**