

B.Com.(CS) DEGREE EXAMINATION, NOVEMBER 2018
III Year VI Semester
Core Major - Paper
MANAGEMENT ACCOUNTING

Time : 3 Hours

Max.marks :75

Section A ($10 \times 2 = 20$) Marks

Answer any **TEN** questions

1. Define Management Accounting?
2. What is meant by Interpretation of Data?
3. What do you meant by Common Size Balance sheet?
4. What is current ratio?
5. What is Funds Flow Statement?
6. Actual Material allowed to produce 900 units at Rs.50 per unit where as the standard price fixed was Rs.58 per unit. Calculate Material Price Variance.
7. Compute Labour Rate Variance

Standard	50 men at Rs.25 per hour
Actual	45 men at Rs.26 per hour.

Standing working hours in a week: 8 hours per day for 5 days.

8. Calculate Gross Profit Ratio from the following

Sales	9,00,000
Opening stock	3,00,000
Purchase	3,50,000
Closing stock	65,000

9. Prepare a production budget from the following details

Product	Budgeted sales(In Units)	Actual opening stock(In Units)	Desired closing stock(In Units)
X	20,000	6,000	6,000

10. Calculate P/V Ratio

Sales	80,000
Fixed expenses	15,000
Variable expenses	10,000

11. Calculate Break Even Point

Sales	2,00,000
Fixed expenses	50,000
Variable expenses	1,20,000

12. Ascertain provision to be made for Tax for the year 2015-2016

Provision for tax on 1-4-2015	80,000
Provision for tax on 31-3-2016	1,00,000
Tax paid	50,000

Section B ($5 \times 5 = 25$) Marks

Answer any **FIVE** questions

13. Distinguish between Management Accounting and Cost Accounting.
 14. Distinguish between Funds Flow Analysis and Cash Flow Analysis.
 15. What are the advantages of marginal costing?
 16. Calculate liquidity ratios from the following information:

Cash	18,000
Debtors	1,42,000
Stock	1,80,000
Bills payable	25,000
Outstanding expenses	10,000
Creditors	50,000

17. Calculate funds from operations from the following profit and Loss account:

Particulars	Rs.	Particulars	Rs.
To Salaries	10,000	By Gross Profit	2,10,000
To Rent	3,000	By Profit on sale of asset	10,000
To Commission	3,000		
To Provision for Depreciation	34,000		
To Provision for Tax	4,000		
To Loss on sale of Investment	16,000		
To Discount on issue of shares	2,000		
To Preliminary expenses	3,000		
To Selling expenses	20,000		
To Net Profit	1,25,000		
	2,20,000		2,20,000

18.

Year	Sales	Profit
2014	1,30,000	15,000
2015	1,60,000	20,000

Calculate

- P/V Ratio
- Break-Even Point
- Profit when sales are Rs.1,20,000

d) Sales required to earn a profit of Rs.40,000

19. From the following information calculate a) Material cost variance b) Material Price variance c) Material usage variance d) Material mix variance

Material	Standard quantity	Standard price	Actual quantity	Actual price
A	20	5	24	4.00
B	16	4	14	4.50

Section C ($2 \times 15 = 30$) Marks

Answer any **TWO** questions

20. Explain the objectives of Management Accounting.
21. From the following particular prepare a balance sheet:

Working Capital	75,000
Reserves and surplus	1,00,000
Bank overdraft	60,000
Current ratio	1.75
Quick ratio	1.15
Fixed assets to proprietors funds	0.75

22. Draw up a flexible budget for production at 75% and 100% capacity on the basis of the following data for a 50% activity

Particulars	Per unit
Materials	100
Labour	50
Variable expenses	10
Administrative expenses (40% Fixed)	40,000
Selling and distribution expenses (50% Fixed)	50,000
Present production at 50% activity	1,000 units

23.

Total fixed costs	4,500
Total variable costs	7,500
Total sales	15,000
Units sold	5,000 units

Calculate : a) P/V Ratio

b) Break-Even point in units

c) Margin of safety

d) Profit