

B.Com(CS) DEGREE EXAMINATION, APRIL 2020
III Year VI Semester
Management Accounting

Time : 3 Hours

Max.marks :75

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

Answer any **TEN** questions

1. What is Management Accounting?
2. What is a Common size statement?
3. Calculate material cost variance from the following:

	Standard	Actual
Quantity	400 kg	460 kg
Price	Rs.2 per kg	Rs. 1.50 per kg

4. Find out Earnings per share(EPS) from the following.

	Rs.
Net profit after tax	- 2,00,000
10% preference share capital	- 4,00,000
Equity share capital(Rs.100 each)	10,00,000

5. Explain two advantages of Ratio Analysis.
6. What is Liquidity ratio?
7. State the effect on working capital caused by the following:
 - (a) Increase in cash 1,700
 - (b) Increase in stock 1,600
 - (c) Decrease in Debtors 500
 - (d) Decrease in Creditors 2,500
8. What is Break- even point?
9. Explain the concept 'Margin of Safety'
10. Prepare production budget for the Quarter ending 31st March 2004:

Budget sales for the Quarter	- 40,000
Stock on 31 st Dec 2003	- 8,000
Required stock on 31 st March 2004	- 10,000.
11. Ascertain contribution:

	Rs.
Prime cost	40,000
Variable overheads	20,000
Fixed Overheads	30,000
Sales	90,000

12. What is CVP Analysis?

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

Answer any **FIVE** questions

13. Distinguish between Management Accounting and Cost Accounting.

14. Calculate material cost variance for the following data:

	Standard	Actual
Quantity	400 kgs	460 kgs
Price	Rs.2 per kg	Rs.1.5 per kg
Value	Rs.800	Rs.690

15. Calculate Gross Profit ratio from the following information:

Particulars	Amount(Rs.)
Sales	10,00,000
Sales Returns	1,00,000
Opening stock	2,00,000
Purchases	6,00,000
Purchase returns	1,50,000
Closing stock	65,000

16. Calculate Fund from Operations from the following Profit and loss account

Profit and Loss Account

Particulars	Rs.	Particulars	Rs.
To Expenses paid	3,00,000	By Gross Profit	4,50,000
To Depreciation	70,000	By gain on sale of land	60,000
To loss on sale of machine	4,000		
To Discount	200		
To Goodwill	20,000		
To Net Profit	1,15,000		
Total	5,10,000	Total	5,10,000

17. Prepare production budget for the half year ending june 2000 from the following:

Product	Budgeted sales quantity (units)	Actual stock on 31.12.99(units)	Desired stock on 30.06.2000(units)
S	20,000	4,000	5,000
T	50,000	6,000	10,000

18. From the following information calculate (a) P/V Ratio (b) Variable cost (c) Profit

Particulars	Rs.
Sales	80,000
Fixed expenses	15,000
Breakeven point	50,000

19. From the following calculate (a) P/V Ratio (b) Breakeven point (c) Profit (d) Margin of safety

Particulars	Rs.
Total fixed cost	4,500
Total variable cost	7,500
Total sales	15,000

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

Answer any **TWO** questions

20. Discuss the utility and significance of analysis and interpretations of financial statements.
21. Prepare flexible budget for production at 75% and 100% capacity on the basis of the following data for 50% activity

Particulars	Per unit(Rs.)
Materials	100
Labour	50
Variable expenses(direct)	10
Administrative expenses(50% fixed)	40,000
Selling and distribution expenses(60%fixed)	50,000
Present production(50% activity)	1000 units

22. From the following Balance sheets of Oswal Ltd., prepare cash flow statement as per AS3

Liabilities	2009(Rs.)	2010(Rs.)	Assets	2009(Rs.)	2010(Rs.)
Share capital	4,00,000	5,00,000	Cash	60,000	94,000
Trade creditors	1,40,000	90,000	Debtors	2,40,000	2,30,000
Profit & Loss a/c	20,000	46,000	Stock	1,60,000	1,80,000
			Land	1,00,000	1,32, 000
Total			Total		

23. Calculate from the following information (a) P/V Ratio (b) Break even point (c) Sales required to earn a profit of Rs.40,000 (d) Fixed expenses (e) Profit when sales are Rs.1,20,000

Year	Sales(Rs.)	Profit(Rs.)
2010	1,40,000	15,000
2011	1,60,000	20,000