

**B.Com. DEGREE EXAMINATION, ODD SEMESTER 2020**  
**III Year V Semester**  
**Management Accounting**

**Max.marks :25**

Answer any **FIVE** questions ( $5 \times 5 = 25$ ) Marks

1. Explain the scope of management accounting.
2. Prepare a comparative income statement of Win Travels Ltd for the years ending 31st March 2016 and 2017 from the following.

Particulars	31st March 2016(Rs.)	31st March 2017(Rs.)
Purchases less returns	80,000	1,50,000
Other direct expenses	20,000	50,000
Sales	1,80,000	2,60,000
Office expenses	20,000	25,000
Selling expenses	10,000	15,000
Finance expenses	10,000	8,000
Profit	40,000	12,000

3. The standard material required to manufacture one unit of product X is 10 kg and the standard price per kg. of material is Rs.2.50. The cost accounts records, however reveal that 11,500 kgs of material costing Rs.27,600 was used for manufacturing 1,000 units of product X. Calculate material variances.
4. From the following information, prepare a Balance sheet. Give the workings also. Working capital Rs.75,000; Reserve and surplus Rs.1,00,000; Bank overdraft Rs.60,000; Current ratio 1.75; Liquid ratio 1.15; Fixed assets to Proprietors funds 0.75; Long term liabilities Nil.
5. The profit and loss account of a company for the years ending 31-3-2017 and 31-3-2018 showed a balance of Rs.20,000 and Rs.30,000 respectively. For the year ending 31-3-2018, provision for dividend was made to the extent of Rs.50,000. Transfer to reserve amounted to Rs.40,000, depreciation written off was Rs.25,000, loss on sale of old machinery amounting to Rs.5,000 was debited to profit and loss account, sale of investment resulted in a profit of Rs.3,000 which was taken to profit and loss account. Sale of furniture resulted in a profit of Rs.3,000 which was also taken to profit and loss account, a commission of Rs.4,000 received on a non-trading activity was credited to profit and loss account. You are required to calculate funds from operations.
6. From the following details calculate the cash from operations for the year 2014.

	31-12-2015(Rs.)	31-12-2016(Rs.)
Good will	50,000	40,000
Provision for depreciation	75,000	80,000
P & L A/c balance (cr)	50,000	75,000
Bills receivable	45,000	35,000
Outstanding salaries	10,000	4,000
Prepaid insurance	3,000	3,500
Debtors	45,000	35,000

7. The following budget estimates are available from a factory working at 50% of its capacity.

	Rs.
Variable expenses	60,000
Semi variable expenses	20,000
Fixed expenses	10,000

Prepare a budget for 75% of the capacity assuming that semi-variable expenses increase by 10% for every 25%.