

B.Com DEGREE EXAMINATION, EVEN SEMESTER 2021**I Year II Semester****Management Accounting**

Max Marks: 25

Answer any **Five** questions (5 * 5 = 25) Marks

1. Discuss in detail the functions of Management Accounting.
2. What are the tools and techniques of financial statement analysis?
3. From the following particulars, prepare a Balance Sheet. Show the workings.

a) Current Ratio	-	1.75
b) Liquid Ratio	-	1.15
c) Fixed Assets to Proprietors' fund	-	0.75
d) Working capital	-	75,000
e) Reserve & Surplus	-	1,00,000
f) Bank Overdraft	-	60,000
g) Long-term Liabilities	-	Nil
4. From the following Balance Sheet as on 31st December, 2015 and 31st December 2016, you are required to prepare a Cash Flow Statement.

Liabilities	2015	2016	Assets	2015	2016
Share Capital	1,00,000	1,50,000	Fixed Assets	1,00,000	1,50,000
Profit & Loss A/c	50,000	80,000	Goodwill	50,000	40,000
General Reserve	30,000	40,000	Inventories	50,000	80,000
12% Bonds	50,000	60,000	Debtors	50,000	80,000
Sundry Creditors	30,000	40,000	Bills Receivable	10,000	20,000
Outstanding Exp.	10,000	15,000	Bank	10,000	15,000
	2,70,000	3,85,000		2,70,000	3,85,000

5. Prepare a production budget for three month ending 31st March 2020, for a factory producing four products on the basis of the following information:

Products	Estimated stock on 01-01-2020 (units)	Estimated Sales during Jan – Mar, 2020 (units)	Desired closing stock on 31-03-2020 (units)
A	8,000	40,000	12,000
B	12,000	60,000	20,000
C	16,000	52,000	12,000
D	12,000	48,000	8,000

6. Prepare a flexible budget for overhead expenses on the basis of the following information and determine the overhead rates at 70%, 80% and 90% plant capacity:

	Capacity Levels		
	70%	80%	90%
Variable Overheads:			
Indirect Labour	-	12,000	-
Indirect Materials	-	4,000	-
Semi-variable Overheads:			
Power (30% fixed)	-	20,000	-
Repairs and Maintenance (60% fixed)	-	2,000	-
Fixed Overheads:			
Depreciation	-	11,000	-
Insurance	-	3,000	-
Salaries	-	10,000	-
Total Overheads		62,000	
Estimated direct labour hours	-	1,24,000	-

7. You are given the following data for the year 2020 of the company:

	₹
Variable Cost	6,00,000
Fixed Cost	3,00,000
Profit	1,00,000
Sales	10,00,000

Find:

- a) PV ratio
- b) Break Even Point
- c) Margin of Safety
- d) Profit when sales amounted to ₹ 12,00,000
- e) Sales required to earn a profit of ₹ 2,00,000