

**B.B.A DEGREE EXAMINATION, ODD SEMESTER 2020**  
**II Year III Semester**  
**Management Accounting**

**Max.marks :25**

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

1. Distinguish between Management Accounting and Financial Accounting.
2. The following are the income statements of X Ltd for the year ending 31/12/1998 and 31/12/1999. You are required to prepare comparative income statements.

	31.12.98	31.12.99
Net sales	10,00,000	12,00,000
Cost of goods	5,50,000	6,05,000
Operating expenses:		
Administration	80,000	1,00,000
Selling	60,000	80,000
Non-operating expenses:		
Interest	40,000	50,000
Income tax	50,000	80,000

3. You are given the following information:

Cash	18,000
Debtors	1,42,000
Closing stock	1,80,000
Bills payable	27,000
Creditors	50,000
Outstanding expenses	15,000
Tax payable	75,000

Calculate (a) Current Ratio (b) Liquidity Ratio (c) Absolute liquidity Ratio.

4. YES & Co. presents the following statements for 1988 and 1989. Prepare sources and application of funds statement.

**Balance Sheet**

Liabilities	1988	1989	Assets	1988	1989
Bills payable	4,52,000	6,28,000	Cash	1,06,000	62,000
Creditors	8,26,000	12,54,000	Investment	1,74,000	-
Loan from bank	2,00,000	4,70,000	Debtors	6,92,000	10,56,000
Profit & Loss	13,84,000	17,28,000	Stock	8,64,000	10,56,000
Share capital	12,00,000	12,00,000	Net fixed assets	22,26,000	27,96,000
	40,62,000	52,80,000		40,62,000	52,80,000

Depreciation of Rs.3,78,000 was written off for the year 1989 on the fixed assets.

5. From the following information you are required to find out:

(a) P/V Ratio (b) Breakeven point (c) Margin of Safety (d) Volume of sales to earn a profit of Rs. 6,000.

Total fixed cost	4,500
Total Variable cost	7,500
Total sales	15,000

6. X Ltd., furnishes the following Balance sheets for the year 2017 and 2018. Prepare Common - size Balance sheets.

Balance sheets

Liabilities	2017 (Rs.)	2018 (Rs.)	Assets	2017 (Rs.)	2018 (Rs.)
Share capital	2,00,000	3,00,000	Buildings	4,00,000	4,00,000
Reserves	6,00,000	7,00,000	Machinery	6,00,000	10,00,000
10% Debentures	2,00,000	3,00,000	Stock	2,00,000	3,00,000
Creditors	3,00,000	5,00,000	Debtors	2,00,000	2,50,000
Bills payable	1,00,000	80,000	Cash at Bank	1,00,000	50,000
Tax payable	1,00,000	1,20,000			
	15,00,000	20,00,000		15,00,000	20,00,000

7. From the following data you are required to calculate the Cash from operation:

The Funds from operation for the year 1998 was Rs. 84,000. Current assets and Liabilities as on 1-1-98 and 31-12-98 were as follows:

Trade Creditors	1,82,000	1,94,000
Trade Debtors	2,75,000	3,15,000
Bills Receivable	40,000	35,000
Bills Payable	27,000	31,000
Inventories	1,85,000	1,70,000
Trade Investments	40,000	70,000
Outstanding expenses	20,000	25,000
Prepaid expenses	5,000	8,000