

**SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN
(AUTONOMOUS)**

**(Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)
Chromepet, Chennai — 600 044.**

B.Com.(A&F) END SEMESTER EXAMINATIONS APRIL-2022

SEMESTER - VI

11UAFCT6017 & UAF/CT/6017 - Management Accounting

Total Duration : 3 Hrs.

Total Marks : 60

Section A

Answer any **SIX** questions ($6 \times 5 = 30$ Marks)

1. Discuss the functions of management accounting.
2. From the following information of Maari Ltd., prepare common size balance sheet for analysis:
Total assets – Rs. 4,00,000 out of which fixed assets are Rs. 2,50,000.
Capital and reserves amounted to Rs. 2,00,000.
Long - term liabilities amount to Rs. 1,50,000.
3. Determine the value of closing stock from the following details:
Sales – Rs.4,00,000.
Gross Profit Ratio - 10% on sales.
Stock velocity - 4 times.
Closing stock was Rs.10,000 in excess of opening stock.
4. The following budget estimates are available from a factory working at 50% of its capacity:
Variables expenses –Rs.60,000
Semi - variables expenses –Rs.20,000
Fixed variables –Rs.10,000
Prepare a budget for 75% of the capacity assuming that semi - variables expenses increase by 10% for every 25%.
5. A project requires an investment of Rs.5,00,000 & has a scrap value of Rs.20,000 after 5 years.
It is Expected to yield profits after taxes and depreciation during five years amounting to Rs.40,000, Rs.60,000, Rs.70,000, Rs.50,000 and Rs.20,000.
Calculate the Average rate of return on investment.

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6. From the following balances , you are required to calculate cash from operations:

Particulars	31/12/2015	31/12/2016
Debtors	50,000	47,000
Bills receivables	10,000	12,500
Creditors	20,000	25,000
Bills payables	8,000	6,000
Outstanding expenses	1,000	1,200
Prepaid expenses	800	700
Accrued Income	600	750
Profit made during the year	300	200
Total		1,30,000

7. Distinguish between fund flow statement and cash flow statement.
8. From the following particulars, calculate current assets and current liabilities:
 Current ratio: 2.5
 Working capital: Rs.60,000.

Section B

Answer any **THREE** questions (3 × 10 = 30 Marks)

9. From the following information , calculate Balance Sheet:

Total assets / Net Worth = 3.5
 Sales / Fixed assets = 6
 Sales / Current assets = 8
 Sales / Inventory = 15
 Sales / Debtors = 18
 Current Ratio = 2:5
 Annual sales = Rs.25,00,000

10. Prepare a flexible budget for overheads on the basis of the following data:
 Ascertain overhead rates at 50%, 60% and 70% capacity.

Particulars	At 60% Capacity
<u>Variables overheads:</u>	
Indirect material	6,000
Indirect labour	18,000
<u>Semi-variable overheads:</u>	
Electricity (40% fixed, 60% variable)	30,000
Repairs (80% fixed, 20% variables)	3,000
<u>Fixed overheads:</u>	
Depreciation	16,500
Insurance	4,500
Salaries	15,000
Total overheads	93,000
Estimated Direct Labour Hours	1,86,000

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11. From the following data, prepare a statement of the source & application of funds

Liabilities	2017	2018	Assets	2017	2018
Capital	5,00,000	4,00,000	Fixed assets	7,00,000	3,10,000
Reserves & Surplus	50,000	1,50,000	Cash	50,000	1,50,000
Secured loan	4,00,000	3,50,000	Stock	2,00,000	3,00,000
Current Liabilities	6,00,000	5,00,000	Debtors	6,00,000	4,00,000
			Bills Receivables		2,40,000
	15,50,000	14,00,000		15,50,000	14,00,000

Adjustments:

- Dividend declared during the year Rs.50,000.
 - Depreciation on fixed assets charged for the year Rs.25,000.
12. A Company worth to buy a new machine. There are two alternative models A & B available. Prepare a Statement of profitability and suggest the suitable machine using Payback period method:

Particulars	Machine A	Machine B
Estimated life	4 years	5 years
Cost of machine	50,000	60,000
Estimated savings in scrap	18,000	19,000
Estimated savings in labour	8,000	6,000
Additional cost of the maintenance	2,000	2,000
Tax	50%	50%
Depreciation	Fixed %	

13. Calculate Trend percentage from the following data:

Particulars	2003	2004	2005	2006	2007
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Sales	2,00,000	2,20,000	3,00,000	4,00,000	5,00,000
Cost of Goods sold	1,00,000	1,10,000	1,25,000	1,50,000	2,00,000
Office & Administration expenses	30,000	30,000	40,000	50,000	50,000
Selling & Distribution expenses	20,000	20,000	35,000	50,000	60,000
Net profit	50,000	60,000	1,00,000	1,50,000	1,90,000
