

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.Sc. END SEMESTER EXAMINATIONS APRIL-2022

SEMESTER - II

20UMAAT2E02 - Management Accounting

Total Duration : 3 Hrs.

Total Marks : 60

Section A

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

1. List out the functions of management accounting.
2. Show the limitations of management accounting.
3. Solve (a) Current ratio (b) Liquidity ratio (c) Absolute Liquidity ratio from the following information:

	Rs.
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

4. Describe the importance of capital structure ratio.
5. Ascertain opening Profit before working Capital changes from the following details:-

	Rs.
Net profit before tax and extraordinary item	2,00,000
Dividend received on Long term investment in shares	40,000
Interest received on Long term investment in debentures of other companies	30,000
Goodwill written off	20,000
Discount on issue of shares written off	10,000
Preliminary expenses written off	25,000
Depreciation charged on fixed assets	65,000
Profit on sale of equipment	10,000
Loss of sale on long term investment	8,000

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6. Compute production budget for the half year ending June 2000 from the following information:-

Product	Budget Sales Quantity	Actual Stock on 31.12.1999	Desired stock in 30.6.2000
	Units	Units	Units
S	20,000	4,000	5,000
T	50,000	6,000	10,000

7. Enumerate the objectives of budgetary control.
8. The following information is obtained from X Y and Co., for 2006.

Sales	Rs.20,000
Variable cost	Rs.10,000
Fixed cost	Rs.6,000

Section B

Answer any **THREE** questions ($3 \times 10 = 30$ Marks)

9. Describe the advantages of Management accounting.
10. Ascertain turnover ratio from the following figure:

Items	Rs. In Lakhs
Sales	17,874
Other Income	4
Cost of Sales	53
Administration and selling expenses	15,440
Depreciation	1,843
Interest Expenses (Non-Operating)	63
Purchase	456
Purchase Returns	15,000
Debtors	5
Bills Receivable	10,000
Creditors	2,000
Bills payable	3,000
Opening Stock	4,000
Closing stock	5,000
Fixed asset	5,000

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SEMESTER - II

20UMAAT2E02 - Management Accounting

11. From the following Balance Sheet of Arvind Ltd ,you are required to appraise the item given below and compute Cash flow statement.

Liabilities	1989 Rs.	1990 Rs.	Assets	1989 Rs.	1990 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
	5,60,000	6,36,000		5,60,000	6,36,000

12. Prepare a flexible budget for overheads on the basis of the following data.

And Ascertain overhead rates at 50% , 60% and 70% capacity.

Variable overheads At 60 % capacity

Rs.

Indirect material	6,000
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Indirect labour	18,000
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Semi-variable overheads

Electricity (40% fixed 60% variable)	30,000
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Repairs (80% fixed 20% variable) 3,000

Fixed overhead

Depreciation	16,500
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Insurance	4,500
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Salaries	15,000
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Total overheads	93,000
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Estimated direct labour hours	1,86,000
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13. Determine Sales turnover and profit during two years were as follows:

Year	Sales Rs.	Profit Rs.
2007	1,40,000	15,000
2008	1,60,000	20,000

Calculate:

- P/V Ratio
- Break-even point
- Sales required to earn a profit of Rs.40,000
- Fixed expenses and
- Profit when sales are Rs.1,20,000
