

(NO. OF PAGES:4)

(FOR THE CANDIDATES ADMITTED

21UBP618

DURING THE ACADEMIC YEAR 2021-2024 ONLY)

REG.NO. :

N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI

END-OF-SEMESTER EXAMINATIONS: MAY 2024

B.COM- BPS(SF)

MAXIMUM MARKS: 70

SEMESTER: VI

TIME : 3 HOURS

PART - III

21UBP618 – MANAGEMENT ACCOUNTING

SECTION - A

(10 X 1 = 10 MARKS)

ANSWER THE FOLLOWING QUESTIONS.

(K1)

1. Who discovered the term Management Accounting?
a) R. N Carter b) James H Bliss c) Philip Kotler d) F.W. Taylor
2. What is the numerical expression for the current ratio?
a) Current ratio = Current assets – current liabilities
b) Current ratio = Current assets + current liabilities
c) Current ratio = Current assets / current liabilities
d) Current ratio = Current assets * current liabilities
3. Which elements result in an increase in working capital?
a) Source of fund b) Application of fund c) Funds from operation d) Loss from operation
4. What is a budget or plan of expected cash receipts and disbursements during the period?
a) Master budget b) Production Budget c) Flexible budget d) Cash budget
5. What is the meaning of the term contribution?
a) The subscription for raising capital
b) The sum of fixed cost and variable cost
c) Extra selling price over variable cost for each unit
d) Extra selling price over fixed cost for each unit

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES

(K2)

6. Define Management accounting.
7. Show the rule of thumb for liquid ratio.
8. Interpret cash flow statement.
9. List the sources of Working Capital.
10. Inter Break even point.

(CONTD 2)

SECTION – B**(5 X 4 = 20 MARKS)****ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K3)**

11. a) Describe the scope of Management accounting.(OR)
 b) List the various tools of financial statements.

12. a) Show the classifications of Ratio analysis.(OR)
 b) Cash Rs.18,000, Closing stock = Rs.1,80,000, Creditors= Rs.75,000,
 Debtors = Rs.1,42,000, Bills Payable= Rs.27,000 and
 Outstanding expenses= Rs.15,000
 From the above information compute:
 a) Current ratio b) Liquid ratio c) Absolute liquid ratio

13.a) You are given the following information of a company. Compute Statement of changes in capital.

Particulars	2009(Rs.)	2010(Rs.)
Assets:		
Cash	3,000	4,700
Accounts receivable	12,000	11,500
Land	5,000	6,600
Stock	8,000	9,000
Liabilities:		
Accounts payable	7,000	4,500
Capital	20,000	25,000
Retained earnings	1,000	2,300
	28,000	31,800

(OR)

b) B.M. Company presents the following information and you are required to calculate cash from operations:

Profit and Loss account

Particulars	Rs.	Particulars	Rs.
To Expenses:		By Gross Profit	
Operation	1,00,000	By Gain on sale of plant	2,00,000
Depreciation	40,000		20,000
To Loss on sale of Building	10,000		
To Advertisement Suspense a/c	5,000		
To Discount allowed	500		
To Discount on issue of shares			
written off	500		
To Goodwill	12,000		
To Net profit	52,000		
	2,20,000		2,20,000

14.a) Show a production budget for three months ending on March 31, 2001 for a factory producing four products on the basis of the following information.

Type of Product	Opening stock(Units)	Closing stock (Units)	Sales (Units)
A	2,000	3,000	10,000
B	3,000	5,000	15,000
C	4,000	3,000	13,000
D	3,000	2,000	12,000

(CONTD 3)

(OR)

b) Consider the following balance sheet for the year 2014 as an example. The sales for 2014 are Rs.400. The forecasted sales figure for the year 2015 is Rs.600.

Assets	Amt. (Rs)	Liabilities	Amt. (Rs)
Owner's Capital	200	Fixed Assets	170
Debentures	110	Inventories	40
Accounts Payable	40	Accounts Receivables	110
		Cash and Bank	20
	350		290

Calculate percentage of sales method.

15. a) Calculate the P/V ratio and Break-even point from the following particulars.

Sales Rs.5, 00,000

Fixed cost Rs.1, 00,000

Profit Rs.1, 50,000

(OR)

b) Describe the applications of Marginal Costing Techniques used for decision making.

SECTION - C

(4 X 10 = 40 MARKS)

ANSWER ANY FOUR OUT OF SIX QUESTIONS

(K4 (Or) K5)

(16th QUESTION IS COMPULSORY AND ANSWER ANY THREE QUESTIONS (FROM Qn. No : 17 to 21)

16. From the data calculate:

(i) Gross Profit Ratio	(ii) Net Profit Ratio	(iii) Return on Total Assets
(iv) Inventory Turnover	(v) Working Capital Turnover	(vi) Net worth to Debt
Sales 25,20,000	Other Current Assets 7,60,000	
Cost of sale 19,20,000	Fixed Assets 14, 40,000	
Net profit 3,60,000	Net worth 15,00,000	
Inventory 8,00,000	Debt. 9,00,000	
Current Liabilities 6,00,000		

17. Differentiate between Management accounting and financial accounting.

18. From the following information, prepare a statement of proprietors fund with as many details as possible:

Current ratio 2.5

Liquid ratio 1.5

Proprietary ratio (fixed assets/proprietors fund) 0.75

(CONTD 4)

Working capital	Rs.60,000
Reserve and surplus	Rs. 40,000
Bank overdraft	Rs. 10,000

There is no long-term loan or fictitious assets.

19. From the following balance sheets of Balky for the year ended 31st December 2000 and 2001, prepare schedule of changes in working capital and statement showing sources and application of fund:

Liabilities	2000 Rs.	2001 Rs.	Assets	2000 Rs.	2001 Rs.
Share Capital	3,00,000	4,00,000	Plant & Machinery	50,000	60,000
Sundry Creditors	1,00,000	70,000	Furniture and Fixtures	10,000	15,000
Profit and Loss A/c	15,000	30,000	Stocks	85,000	1,05,000
			Debtors	1,60,000	1,50,000
			Cash	1,10,000	1,70,000
	4,15,000	5,00,000		4,15,000	5,00,000

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

Particulars	At 60% capacity (Rs.)
Variable overheads	
Indirect materials	
Indirect materials	6,000
Indirect labour	18,000
Semi-variable overheads	
Electricity (40% fixed, 60% variable)	30,000
Repairs (80% fixed, 20% variable)	3,000
Fixed overheads	
Depreciation	16,500
Insurance	4,500
Salaries	15,000
Total overheads	93,000
Estimated direct labour hours	1,86,000

21. In a year, the position of ABC Ltd., was as follows:

Particulars	Rs.
Sales	10,00,000
Variable overheads	6,00,000
Net profit	1,00,000
Fixed overheads	3,00,000

Determine

- P/V ratio
- B.E.P
- Net profit from the sales of Rs.12,00,000
- Required sales for a net profit Rs.2,00,000
