

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. CA - END SEMESTER EXAMINATIONS - APRIL 2025

SEMESTER - VI

21UCCCT6016 - Management Accounting

Total Duration : 2 Hrs.30 Mins.

Total Marks : 60

Section B

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

1. Explain the nature and scope of Management accounting.
2. Calculate the trend percentages from the following figures of Samir Auto Ltd., taking 2010 as the base and interpret them:

Year	Sales (Rs.in Thousand)	Profit After tax (Rs.in Thousand)
2010	1,000	150
2011	1,200	185
2012	1,500	210
2013	2,000	220
2014	2,900	240

3. The following balance sheet provides the information, calculate
(a) Current ratio (b) Liquid ratio (e) Gearing ratio
(e) Solvency ratio (d) Proprietary ratio

Liabilities	Rs.	Assets	Rs.
Equity shares	80,000	Intangible assets	48,000
Reserves	40,000	Fixed assets	1,12,000
Mortgage	64,000	Investments	8,000
Bank O/D	8,000	Stocks	24,000
Creditors	32,000	Debtors	24,000
Provision for tax	16,000	Bank balance	24,000
	2,40,000		2,40,000

4. Distinguish between Fund Flow and Cash Flow statement.

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5. Prepare a Production budget for three months ending March 31, 2000 for a factory producing four products on the basis of the following information

Type of Product	Estimated Stock on January 1, 2000 Units	Estimated Sales on January - March, 2000 Units	Desired Closing Stock on March 31, 2000 Units
A	2,000	10,000	5,000
B	3,000	15,000	4,000
C	4,000	13,000	3,000
D	5,000	12,000	2,000

6. Calculate funds from operation from the following profit and loss account.

Particulars	Rs.	Particulars	Rs.
To expenses paid	12,00,000	By gross profit	18,00,000
To depreciation	2,80,000	By gain from sale of land	2,40,000
To loss on sale of machinery	16,000		
To discount on issue of Shares	800		
To goodwill	80,000		
To net profit	4,63,200		
	20,40,000		20,40,000

7. You are given the following Balance Sheet of a Company:

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

Prepare a statement showing the changes in working capital.

8. List out the characteristics of budget.

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Section C

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

9. Compare Management Accounting with Financial Accounting.
10. From the information given below, you are required to prepare a Common-size Income Statement.

Particulars	2010 (Rs.)	2011 (Rs.)
Sales	1,40,000	1,65,000
Less: Cost of goods sold	85,000	1,05,000
Gross Profit	55,000	60,000
<u>Operating Expenses:</u>		
Selling & Distribution Expenses	12,000	16,000
Administrative Expenses	10,000	11,000
Total Operating Expenses	22,000	27,000
Net Income before tax	33,000	33,000
Income-tax (40%)	13,200	13,200
Net Income	19,800	19,800

11. Calculate Following Ratios from the following balance sheet:

1. Current Ratio
2. Liquid Ratio
3. Proprietary Ratio
4. Stock Working capital Ratio
5. Capital Gearing Ratio
6. Debt Equity Ratio

Liabilities	Rs.	Assets	Rs.
Equity Share Capital	2,00,000	Machinery	5,92,000
12% Preference share capital	3,60,000	Investment	2,24,000
General Reserve	1,40,000	Stock	2,02,000
16% debentures	2,40,000	Bills Receivable	40,000
Trade payable	2,44,000	S. Debtors	98,000
Bank overdraft	40,000	Cash and Bank	76,000
Provision for Income Tax	36,000	Profit & Loss A/c	28,000
	12,60,000		12,60,000

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12. The following are the Balance Sheets of M/s Vivek Limited.

Liabilities	2008	2009	Assets	2008	2009
Equity share capital	2,00,000	2,50,000	Goodwill	30,000	20,000
12% Preference share capital	50,000	40,000	Building	1,00,000	80,000
General reserve	35,000	55,000	Plant & Machinery	40,000	70,000
P&L A/c	15,000	17,000	Debtors	1,20,000	1,60,000
Creditors	23,000	5,000	Stock	18,000	20,000
			Cash	15,000	17,000
	3,23,000	3,67,000		3,23,000	3,67,000

Depreciation charged on Plant was Rs.30,000 and on Building Rs.50,000. Prepare Fund Flow Statement.

13. Prepare a Cash Budget for the months of May, June and July, 2008 on the basis of the following information:

(1) Income and Expenditure Forecasts: (in Rs.)

Months	Credit Sales	Credit Purchases	Wages	Mfg. Expenses	Office Expenses	Selling Expenses
March	60,000	36,000	9,000	4,000	2,000	4,000
April	62,000	38,000	8,000	3,000	1,500	5,000
May	64,000	33,000	10,000	4,500	2,500	4,500
June	58,000	35,000	8,500	3,500	2,000	3,500
July	56,000	39,000	9,500	4,000	1,000	4,500
August	60,000	34,000	8,000	3,000	1,500	4,500

(2) Cash balance on 1st May, 2008 Rs.8,000.

(3) Advance Tax of Rs.8,000 each is payable in March and June.

(4) Period of credit allowed by supplier is 2 months and allowed to customers is 1 month.

(5) Lag in payment of manufacturing expenses – ½ month.

(6) Lag in payment of office and selling expenses – one month.
