

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. - END SEMESTER EXAMINATIONS - NOVEMBER 2025

SEMESTER - V

24UCOCT5013 - Management Accounting

Total Duration : 2 Hrs.30 Mins.

Total Marks : 60

Section B

Answer any **SIX** questions (6 × 5 = 30 Marks)

1. Discuss the scope of management accounting.
2. From the following profit and loss account. Prepare a comparative income statement.

Particulars	2017	2018	Particulars	2017	2018
To cost of goods sold	600	750	By net sales	800	1,000
To operating expenses:					
Administration Exp	20	20			
Selling Exp	30	40			
To net profit	150	190			
	800	1,000		800	1,000

3. Calculate the gross profit ratio from the following figures

	Rs.		Rs.
Sales	1,00,000	Purchases	60,000
Sales return	10,000	Purchase return	15,000
Opening stock	20,000	Closing stock	6,000

4. Calculate direct materials cost materials

Standard output	600 units
Actual output	500 units
Std qty per unit	1 kg
Total actual quantity used	600 kg
Std. Rate per unit	Rs.14 per unit
Actual rate per unit	Rs.15 per unit
5. Show the benefits of Ratio Analysis.

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6. From the following profit and loss account, compute the funds from operations

Particulars	Rs.	Particulars	Rs.
To salaries	5,000	By gross profit b/d	1,000
To rent	2,000	By rent	5,000
To depreciation	1,000	Interest on investment	4,000
To preliminary exps	2,000	By net loss	5,000
To loss on sale of land	5,000		
	15,000		15,000

7. Prepare a production budget for three months ended March 31, 2018 for a factory.

Types of products	Estimated stock on Jan 1, 2018. (units)	Estimated sales during Jan - March, 2018. (units)	Desired closing stock on March 31, 2018. (units)
A	2,000	10,000	3,000
B	3,000	15,000	5,000
C	4,000	13,000	3,000
D	3,000	12,000	2,000

8. From the following, calculate the Break - even point.

	Rs.
Selling price per unit	50
Valuable cost per unit	40
Depreciation in above per unit	10
Fixed unit	2,00,000
Depreciation included in above	40,000

Section C

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

9. How management accounting differ from financial accounting?

10. From the following particulars,
find the (i) material cost variance,
(ii) material usage variance and
(iii) material price variance.

Quantity of material purchased	3,000 units
Value of materials purchased	Rs.9,000
Standard quantity of materials required per tonne of goods	25 units
Standard rate of materials	Rs.2 per unit
Opening stock of materials	Nil
Closing stock of materials	500 units
Finished production during the period	80 tonnes.

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11. Following are the ratios of the trading activity of National Traders Ltd.,

- Debtors velocity 3 months
- Stock velocity 8 months
- Creditors velocity 2 months
- Gross profit ratio 25 percent

Gross profit for the year ended 31st December, 2018 amounts to Rs.4,00,000. closing stock of the year is Rs.10,000 above the opening stock. Bills receivable amount to Rs.25,000 and bills payable to Rs.10,000.

Find out: (a) sales (b) sundry debtors (c) closing stock and (d) sundry creditors.

12. Balance sheets of Block and white as on 1.1.2018 and 31.12. 2018

Liabilities	1.1.2017 (Rs.)	31.12.2018 (Rs.)	Assets	1.1.2017 (Rs.)	31.12.2018 (Rs.)
Creditors	40,000	44,000	Cash	10,000	7,000
Mr.White's loan	25,000	-	Debtors	30,000	50,000
Loan from from P.N. Bank	40,000	50,000	Stock	35,000	25,000
Capital	1,25,000	1,53,000	Machinery	80,000	55,000
			Land	40,000	50,000
			Building	35,000	60,000
	2,30,000	2,47,000		2,30,000	2,47,000

During the year machine costing Rs.10,000 (accumulated depreciation Rs.3,000) was sold for Rs.5,000. The provision for depreciation against machinery as on 1.1.2018 was Rs.25,000 and on 31.12.2018 Rs.40,000. Net profit for the year 2018 amounted to Rs.45,000. you are required to prepare funds flow statement.

13. Prepare a cash budget for three months of May, June and July 2018 on the basis of following information

1. Income and expenditure Forecasts

Months	Credit sales	Credit purchase	Wages	Manufacturing 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	65,000	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, 2018 Rs.8,000

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3. Plant costing Rs.16,000 is due for delivery in July payable 10% on delivery and the balance after three months.
4. Advance tax of Rs.8,000 each is payable in March and June
5. Period of credit allowed (i) by suppliers - two months and (ii) to customers - one month.
6. Lag in payment of manufacturing expenses - 1/2 month.
7. Lag in payment of office and selling expenses - one month.
