

Roll.No.

21UCCCT6016

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 - NOVEMBER 2025
SEMESTER - VI

21UCCCT6016 - Management Accounting

Total Duration : 2 Hrs.30 Mins.

Total Marks : 60

Section B

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

1. Explain the advantages of Management accounting.
2. Calculate the average collection period

Particulars	Rs.
Total Gross Sales	1,00,000
Cash sales	20,000
Sales Returns	7,000
Total Debtors as on 31.12.84	9,000
Bills Receivable on 31.12.84	2,000
Provision for doubtful debts on 31.12.84	1,000
Total creditors on 31.12.84	10,000

3. Calculate funds from operation from the following Profit and Loss account

Particulars	Rs.	Particulars	Rs.
To Expenses paid and outstanding	3,00,000	By Gross profit	4,50,000
To Depreciation	70,000	By Gain on sale of land	60,000
To Loss on sale of machine	4,000		
To Discount	200		
To Goodwill	20,000		
To Net Profit	1,15,800		
	5,10,000		5,10,000

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4. Prepare a flexible budget for production at 75% and 100% capacity on the basis of the following data for a 50% activity.

Particulars	Per Unit (Rs.)
Materials	100
Labour	50
Variable expenses (direct)	10
Administration expenses (50% Fixed)	40,000
Selling and distribution expenses (60% fixed)	50,000
Present Production (50% Activity)	1,000 Units

5. The following are the income statements of Jeevan Ltd. for the year ending 31st December 2018 and 2019. You are required to prepare a comparative income statement for the two years.

Particulars	31.12.18	31.12.19
Net sales	10,00,000	12,00,000
Cost of goods sold	5,50,000	6,05,000
Operating expenses:		
Administration	80,000	1,00,000
Selling	60,000	80,000
Non-operating expenses:		
Interest	40,000	50,000
Income tax	50,000	80,000

6. Following are the details relating to the trading activities A Ltd.

Stock Velocity - 8 months
 Debtor's Velocity - 3 months
 Creditor's Velocity - 2 months
 Gross Profit ratio - 25%

Gross profit for the year Rs.4,00,000; Bills Receivable Rs.25,000 and Bills payable Rs.10,000; Closing stock of the year is Rs.10,000 more than the opening stock. Find out (a) Sales, (b) Debtors, (c) Closing Stock and (d) Creditors.

7. Distinguish between cash flow statement and funds flow statement.

8. Prepare a production budget for the half year ending June 2020 from the following information

Product	Budgeted Sales Quantity Units	Actual stock as on 31-12-2019	Desired stock as on 30-6-2020
S	20,000	4,000	5,000
T	50,000	6,000	10,000

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Section C

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

9. Define management accounting. State the various functions of management accounting.
10. The following are the Balance sheet of A & Co for two consecutive years. (Rs. in Lakhs)

Liabilities	2016	2017	Assets	2016	2017
Share Capital	80	100	Land & Buildings	25	20
Reserves & Surplus	20	26	Plant & Machinery	50	75
Long term liabilities	20	20	Furniture	10	10
Current liabilities	20	14	Current assets	55	50
			Misc. assets	-	5
	140	160		140	160

From the above prepare a comparative Balance sheet.

11. From the following information make out a balance sheet with as many details as possible.
- (a) Gross profit – 25%
 - (b) Debtors velocity – 3 months
 - (c) Creditors velocity – 2 months
 - (d) Stock velocity - 8 times
 - (e) Capital turnover ratio – 2.5 times
 - (f) Fixed assets turnover ratio – 8 times
 - (g) Gross profit was - Rs.80,000
 - (h) Reserve and surplus - Rs.28,000
 - (i) Liquid assets -Rs.97,333
 - (j) Bills receivable - Rs.5,000
 - (k) Bills payable - Rs.2,000.
 - (l) Closing stock of the year Rs.2,000 more than the opening stock

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12. The following are the summarised Balance Sheets of Praveen Ltd. as at 31st December 2012.

Balance Sheets

Liabilities	2011 Rs.	2012 Rs.	Assets	2011 Rs.	2012 Rs.
Share Capital	2,00,000	2,50,000	Land& Building	2,00,000	1,90,000
General Reserve	50,000	60,000	Plant	1,50,000	1,74,000
P&L A/c	30,500	30,600	Stock	1,00,000	74,000
Bank loan	70,000	—	Debtors	80,000	64,200
Creditors	1,50,000	1,35,200	Cash	500	600
Provision for taxation	30,000	35,000	Bank	—	8000
Total	5,30,500	5,10,800	Total	5,30,500	5,10,800

Additional information:

1. Depreciation was written off plant Rs.14,000 in 2012.
2. Dividend of Rs.20,000 was paid during 2012.
3. Income tax provision made during the year was Rs.25,000
4. A piece of land has been sold during the year at cost.

You are required to prepare a statement showing sources and application of funds for the year 2012 and a schedule of changes in working capital.

13. The expenses for the production of 5,000 units in a factory are given as follows:

Per unit	Rs.
Materials	50
Labour	20
Variable overheads	15
Fixed overheads (Rs. 50,000)	10
Administration expenses (5% variable)	10
Selling expenses (20% fixed)	6
Distribution expenses (10% fixed)	5
Total cost per unit	116

You are required to prepare a budget for the production of 7,000 units
