

LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034



B.Com. DEGREE EXAMINATION – CORPORATE SECRETARYSHIP

SIXTH SEMESTER – NOVEMBER 2019

16UBC6MC04 – MANAGEMENT ACCOUNTING

Date: 04-11-2019

Dept. No.

Max. : 100 Marks

Time: 09:00-12:00

Section – A

Answer ALL the questions

(10X2=20)

- 1) What is management accounting?
- 2) Write a short note on ratio analysis.
- 3) Brief a note on budget.
- 4) What is zero based budget?
- 5) Explain the concept of FFO.
- 6) Write a note on working capital.
- 7) What is PV ratio?
- 8) Define marginal cost.
- 9) Define standard costing.
- 10) What is sales variance?

Section – B

Answer any FOUR questions

(4X10=40)

- 11) Enumerate the functions of management accounting.
- 12) From the following particulars, prepare a production budget of sales corporation for the year ended on 30th June 2007.

Product	Sales (units) As per sales budget	Estimated stocks (units)	
		1-7-06	1-7-07
A	1,50,000	14,000	15,000
B	1,00,000	5,000	4,500
C	70,000	8,000	8,000

- 13) Prepare a schedule of changes in working capital from the balance sheet data given below:

Balance Sheets

Liabilities	31-12-96	31-12-97	Assets	31-12-96	31-12-97
Share capital	3,00,000	3,75,000	Machinery	70,000	1,00,000
Creditors	1,06,000	70,000	Stock	1,21,000	1,36,000
P&L account	14,000	31,000	Debtors	1,81,000	1,70,000
			cash	48,000	70,000
	4,20,000	4,76,000		4,20,000	4,76,000

14) You are required to calculate the following:

Working capital turnover (b) fixed assets turnover (c) capital turnover

The information available is as under:

Capital employed – Rs.4,00,000 Current assets – Rs.2,00,000

Current liabilities – Rs. 40,000 Net fixed assets – Rs.2,50,000

Sales – Rs. 2,50,000 Cost of sales – Rs.4,00,000

15) The following data relate to ABC company:

Output and sales 4000 units, sales price per unit –Rs.15, Material and labour cost per unit – Rs.8

Production overheads:

Variable Rs.2 per unit, fixed cost Rs.50,000, other overheads Rs.1,00,000.

Prepare income statement under absorption costing.

16) The standard cost of material for manufacturing a unit of a particular product PEE is estimated as follows:

16 kg of raw material at Re.1 per kg.

On completion of the unit it was found that 20kg of raw material costing Rs.1.50 per kg has been consumed. Compute material variances.

17) Explain the needs for standard cost.

Section – C

Answer any TWO questions

(2X20=40)

18) Differentiate management accounting and financial accounting.

19) XYZ company wishes to arrange OD facilities with its bankers during the period April –June, when it will be manufacturing mostly for stock.

i) Prepare cash budget for the above period from the following data:

months	Sales (Rs)	Purchase (Rs)	Wages (Rs)
February	1,80,000	1,24,800	12,000
March	1,92,000	1,44,000	14,000
April	1,08,000	2,43,000	11,000
May	1,74,000	2,46,000	10,000
June	1,26,000	2,68,000	15,000

ii) 50% of credit sales is realized in the month following the sale and the other 50% in the second month following. Creditors are paid in the month following the month of purchase

iii) Wages are paid at the end of the respective month.

iv) Cash at bank – 1st April – Rs.25,000

20) From the following balance sheets of X ltd, Prepare Fund Flow Statement.

liabilities	31.3.99	31.3.2000	Assets	31.3.99	31.3.2000
Share capital	90,000	90,000	Gross block	1,55,000	1,56,000
Bank loan	1,19,000	2,10,000	(-)depreciation	7000	10,000
				1,48,000	1,46,000
Current liabilities	46,000	48,000	Current assets	40,000	1,00,000
			P&L a/ct	67,000	1,02,000
	2,55,000	3,48,000		2,55,000	3,48,000

21) From the following details, find out

a) Current assets (b) Current Liabilities (c) Liquid assets (d) Stock.

Current ratio – 2.5, Liquid ratio – 1.5, working capital Rs.90,000

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