Reg.No. \_\_\_\_\_\_\_\_\_\_\_\_



**End Semester Examination – Nov / Dec – 2019**

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| **Code :** | **18PA2005** | **Duration :** | **3hrs** |
| **Sub. Name :** | **MANAGEMENT ACCOUNTING** | **Max.Marks :** | **100** |

**ANSWER ALL QUESTIONS (5 x 20 = 100 Marks)**

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| **Q. No.** | **Sub Div.** | **Questions** | **Course**  **Outcome** | **Marks** |
| 1. | a. | Define management accounting. Bring out its merits and demerits. | CO2 | 10 |
| b. | Examine the role of management accounting. | CO4 | 10 |
| **(OR)** | | | | |
| 2. | a. | Differentiate management accounting from financial accounting. | CO4 | 10 |
| b. | Discuss the management accounting tools used to analyse financial statements of a company. | CO2 | 10 |
|  |  |  |  |  |
| 3. |  | From the following particulars extracted from the books of Ashok & Co. Ltd., compute the following ratios and comment:  (a) Current ratio, (b) Acid test Ratio, (c) Stock‐turnover ratio,  (d) Debtors turnover ratio, (e) creditors' turnover ratio, and  (f) Average debt collection period.  Particulars 1‐1‐2018 31‐12‐2018  Rs. Rs.  Bills Receivable 30,000 60,000  Bills Payable 60,000 30,000  Sundry Debtors 1,20,000 1,50,000  Sundry Creditors 75,000 1,05,000  Stock‐in‐trade 96,000 1,44,000  **Additional information:**  (a) On 31‐12‐2018, there were assets: Building Rs. 2,00,000, Cash Rs. 1,20,000 and Cash at Bank Rs. 96,000.  (b) Cash purchases Rs. 1,38,000 and purchases returns were Rs. 18,000.  (c) Cash sales Rs. 1,50,000 and Sales returns were Rs. 6,000.  Rate of gross profit 25% on sales and actual gross profit was Rs. 1,50,000. | CO3 | 20 |
| (OR) | | | | |
| 4. | a. | From the following balance sheet prepare comparative balance sheet and comment on the financial position   |  |  |  | | --- | --- | --- | | **Liabilities** | **31‐3‐18** | **31‐3‐19** | | Equity share capital 10%Pref. Sh. capital General Reserve  Profit & Loss A/c  12% Debentures Creditors  Bills payable  Bank Overdraft  O/s. Expenses  Total | 1,00,000  50,000 30,000 20,000 1,00,000 30,000 10,000 10,000  5,000  3,55,000 | 1,50,000  50,000  30,000  ----  50,000 35,000 25,000 20,000  10,000  3,70,000 | | Assets | **31‐3‐18** | **31‐3‐19** | | Land & Building  Machinery  Debtors  Bills Receivable  Stock  Bank Balance  Cash Balance  Profit & Loss A/c  Total | 1,00,000  90,000  53,000  20,000  75,000  15,000  2,000  -------  3,55,000 | 90,000  90,000  30,000  12,000  90,000  35,000  13,000  10,000  3,70,000 | | CO4 | 20 |
|  |  |  |  |  |
| 5. | a. | Compare and contrast fund flow statement and cash flow statement. | CO4 | 8 |
|  | b. | **The Balance Sheets of National Co. as on 31st December, 2003 and 31st December 2004 are as follows:**  http://cdn.accountingnotes.net/wp-content/uploads/2017/01/clip_image106_thumb2_thumb.png  **Additional Information:**  (1) Rs. 50,000 depreciation has been charged on Plant and Machinery during 2004.  (2) A piece of Machinery was sold for Rs. 8,000 during the year 2004. It had cost Rs. 12,000; depreciation of Rs. 7,000 had been provided on it.  Prepare a Schedule of changes in Working Capital and a Statement showing the Sources and Application of Funds for 2004. | CO3 | 12 |
| **(OR)** | | | | |
| 6. | a. | **The following are the summarised Balance Sheets of a company as on 31st December 2003 and 2004:**  http://cdn.accountingnotes.net/wp-content/uploads/2017/01/clip_image124_thumb2_thumb.jpg  **Additional information is as follows:**  (1) Furniture which cost Rs. 5,000, written down value Rs. 1,000 was sold during the year 2004 for Rs. 2,000.  (2) Plant and Machinery which cost Rs. 20,000 and in respect of which Rs. 13,000 had been written off as depreciation was sold during the year for Rs. 3,000.  (3) The dividend of 2003 was paid during 2004.  You are required to prepare Cash flow statement as per AS 3. | CO3 | 20 |
| 7. | a. | From the following information prepare a cash budget for the quarter ending 30.6.2000.  http://cdn.yourarticlelibrary.com/wp-content/uploads/2016/02/clip_image042_thumb2_thumb.jpg    (iii) Purchases are paid one month after.  (iv) Wages—25% in arrears in the following month.  (v) Other expenses are paid at a lag of one month.  (vi) Income Tax Rs.25,000 due on or before 30.6.2000. | CO3 | 20 |
| **(OR)** | | | | |
| 8. |  | Elaborate the tools and techniques of cost control and cost reduction. | CO4 | 20 |
|  | | **Compulsory:** |  |  |
| 9. |  | From the following particulars extracted from the books of Ashok & Co. Ltd regarding expenses budgeted for production of 1,000 units.  **Particulars Per Unit Rs.**  Material Cost 700  Labour Cost 250  Variable overheads 200  Selling expenses (20% fixed) 130  Administrative expenses (Rs. 2,00,000) 200  Total Cost 1,480  Prepare a budget for production of 600 units and 800 units assuming administrative expenses are rigid for all level of production.Also recommend the optimum level of production. | CO3 | 20 |