



K22U 0336

Reg. No. : .....

Name : .....



VI Semester B.Com. Degree (CBCSS – OBE – Regular)  
Examination, April 2022  
(2019 Admission)  
Core Course  
6B13 COM : MANAGEMENT ACCOUNTING

Time : 3 Hours

Max. Marks : 40

PART – A

Answer **any six** questions from the following. **Each** question carries **1** mark.

1. Define management accounting.
2. Distinguish between horizontal and vertical analysis.
3. Briefly explain the classifications of Cash Flows.
4. What are financial statements ?
5. What do you mean by flexible budget ?
6. What is angle of incidence ?
7. Explain the term 'break-even-point'. How is it determined ?
8. Current Ratio = 3:1, Quick Ratio = 1:2:1, Working Capital = Rs. 1,80,000.  
Calculate current assets. (6×1=6)

PART – B

Answer **any six** questions from the following. **Each** question carries **3** marks.

9. How does Management Accounting differ from Cost Accounting ?
10. "The technique of marginal costing can be a valuable aid to management".  
Discuss.
11. Discuss in detail the functions of management accounting.
12. What is meant by budgetary control system ? What are its objectives ?

P.T.O.



13. Prepare common size income statement of X Ltd. for the year ended 31-3-2021.

Particulars	(Rs.)
Net sales	8,00,000
Cost of goods sold	5,00,000
Administrative expenses	60,000
Non-operating income	2,00,000
Office expenses	40,000
Interest paid	10,000
Tax	20,000

14. A company is expecting to have Rs. 32,000 cash in hand on 01-04-2021 and requests you to prepare cash budget for the three months, April to June 2021. The following details are given :

Month	Sales (Rs.)	Purchases (Rs.)	Wages (Rs.)	Expenses (Rs.)
February	70,000	44,000	6,000	5,000
March	80,000	56,000	9,000	6,000
April	96,000	60,000	9,000	7,000
May	1,00,000	68,000	11,000	9,000
June	1,20,000	62,000	14,000	9,000

- Period of credit allowed by suppliers is two months.
- 25% of sales is for cash and the period of credit allowed to customers is one month.
- Delay in payment of wages and expenses one month.
- Income tax Rs. 28,000 is to be paid in June 2021.

15. Following are the Balance Sheets of AB Ltd. as on 31-03-2020 and 2021.

Liabilities	2020 (Rs.)	2021 (Rs.)	Assets	2020 (Rs.)	2021 (Rs.)
Share-capital	1,00,000	1,50,000	Fixed assets	2,00,000	3,00,000
Reserves	1,00,000	1,00,000	Current assets	50,000	80,000
Loan	20,000	80,000			
Current liabilities	30,000	50,000			
	<b>2,50,000</b>	<b>3,80,000</b>		<b>2,50,000</b>	<b>3,80,000</b>

Prepare a comparative Balance Sheet.



16. The following information, calculate Net Cash Flow from Operating Activities.

<b>Particulars</b>	<b>Amount (Rs.)</b>	
Cash sales	2,00,000	
Collection from trade debtors	8,00,000	
Payment to suppliers	3,00,000	
Payment to employees	2,00,000	
Administration expenses paid	1,50,000	
Selling expenses paid	50,000	
Sale of fixed assets	1,00,000	
Sale of investments	80,000	
Depreciation	25,000	
Income Tax paid	20,000	(6×3=18)

PART – C

Answer **any two** questions from the following. **Each** question carries **8** marks.

17. The following details are available from a company :

<b>Liabilities</b>	<b>2020 (Rs.)</b>	<b>2021 (Rs.)</b>	<b>Assets</b>	<b>2020 (Rs.)</b>	<b>2021 (Rs.)</b>
Share capital	70,000	74,000	Cash	9,000	7,800
Debentures	12,000	6,000	Debtors	14,900	17,700
Reserve for doubtful debts	700	800	Stock	49,200	42,700
Trade creditors	10,360	11,840	Land	20,000	30,000
P/L A/C	10,040	10,560	Goodwill	10,000	5,000
	<b>1,03,100</b>	<b>1,03,200</b>		<b>1,03,100</b>	<b>1,03,200</b>

In addition, you are given :

Dividend paid : Rs. 3,500, Land purchased : Rs. 10,000, Amount provided for amortisation of goodwill : Rs. 5,000, debenture paid off : Rs. 6,000. Calculate cash flow statement.



18. The following are the ratios relating to the activities of N Ltd.

Gross profit ratio : 20%

Stock velocity : 4 Months

Debtors velocity : 3 Months

Creditors velocity : 2 Months

Gross profit for the year ended 31-03-2021 amounts to Rs. 60,000. Closing stock of the year is Rs. 10,000 more than the opening stock. Find out :

i) Sales                      ii) Closing stock      iii) Sundry debtors      iv) Sundry creditors.

19. From the following data, you are required to calculate :

a) P/V Ratio

b) Break-even sales with the help of P/V Ratio

c) Sales required to earn a profit of Rs. 4,50,000

Fixed expenses : Rs. 90,000

Variable cost per unit

Direct material : Rs. 5

Direct labour : Rs. 2

Direct overheads : 100% of direct labour

Selling price per unit : Rs. 12.

(2×8=16)