K19U 0174

Reg. No. : ....

Name : ....

VI Semester B.Com. Degree (CBCSS – Reg./Supple./Improv.) Examination, April 2019
(2014 Admission Onwards)
Core Course
6B15COM : MANAGEMENT ACCOUNTING

Time : 3 Hours Max. Marks : 40

PART – A

Answer **all** questions. **Each** question carries ½ mark.

1. CVP analysis stands for ___________ analysis.
2. The difference between standard cost and actual cost.
3. Material Cost variance is equal to material price variance +
4. BEP stands for (4×½=2)

PART – B

Answer **any four** questions. **Each** question carries **1** mark.

5. What is Management Accounting ?
6. What is ratio analysis ?
7. What is Break Even Chart ?
8. What is budget manual ?
9. What do you mean by flexible budget ?
10. What is P/V ratio ? (4×1=4)

P.T.O.

PART – C

Answer **any six** questions (**Not** exceeding **one** page). **Each** question carries **3** marks.

11. State the difference between management accounting and cost accounting.

12. What is cash flow statement ? Discuss its uses.

13. Explain : a) Labour cost variance b) Labour rate of pay variance and c) Labour efficiency variance.

14. Calculate P/V ratio and sales volume to earn a profit of Rs. 80,000.

Sales	2,00,000
Profit	20,000
Variable cost	70%

15. You are given the following information relating to a company for the year 2015.

    Output 20000 units

    Selling price per unit Rs. 12

    Direct materials per unit Rs. 5

    Direct labour per unit Rs. 2

    Variable overheads per unit Re. 1

    Fixed cost per year Rs. 60,000

    Calculate :

    1) Total Marginal Cost.

    2) Contribution.

    3) Profit.

    4) P/V Ratio.

16. The standard material required to manufacture one unit of Product X is 10 kg and the standard price per kg of material is Rs. 2.50. The cost accounts records, however, reveal that 11500 kg of materials costing Rs. 27,600 were used for manufacturing 1000 units of Product X. Calculate material variances.

17. From the following information, prepare a comparative income statement of ABC Limited.

	2016	2017
Sales	120% of cost of goods sold	150% of cost of goods sold
Cost of goods sold	20,00,000	25,00,000
Indirect expenses	10 percentage of Gross Profit	
Rate of income tax	50 percentage of Net Profit before tax	

18. Discuss the different types of ratios used for analysis. (6×3=18)

PART – D

Answer **any two** questions. **Each** question carries **8** marks.

19. XYZ Ltd. produces and sells two Products P and Q. The cost and sales data are given as

	Product P	Product Q
Selling price	20	30
Direct material	10	15
Direct labour	4	5

Fixed overheads Rs. 1,000

Variable overheads are absorbed at 50% of direct labour.

The proposed sales mix are :

a) 100 units of P and 200 units of Q.

b) 150 units of P and 150 units of Q.

c) 200 units of P and 100 units of Q.

Recommend which of the above sales mix the company should adopt.

20. a) X Ltd. has a current ratio of 3.5 : 1 and quick ratio of 2 : 1. If excess of current assets over quick assets represented by stock is Rs. 1,50,000, calculate current assets and current liabilities.

b) Credit sales 25,000; Return inwards 1,000; Debtors 3,000; Bills Receivables 1,000. Calculate debtors turnover ratio.

c) Cost of goods sold is 1,80,000 and other operating expenses are 30,000 and net sales is 3,00,000. Calculate operating ratio.

d) A company declares dividend at 20% on its shares, each having a paid up value of 8.00 and market value of 25.00. Calculate dividend yield ratio.

21. Balance Sheets of P and Q as on 01-01-2011 and 31-12-2011 were as follows :

Liabilities	01-01-2011	31-12-2011	Assets	01-01-2011	31-12-2011
Creditors	40,000	44,000	Cash	10,000	7,000
Mr. A's loan	25,000	–	Debtors	30,000	50,000
Loan from bank	40,000	50,000	Stock	35,000	25,000
Combined 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, a machine costing Rs. 10,000 (accumulated depreciation Rs. 3,000) was sold for Rs. 5,000. The provision for depreciation against machinery on 01-01-2011 was Rs. 25,000 and on 31-12-2011 it was Rs. 40,000. Net profit for the year 2011 amounted to Rs. 45,000. You are required to prepare a Cash Flow Statement. (2×8=16)
