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| Reg No: |  |  |  |  |  |  |  |  |  |  |  |

**D.K.M.COLLEGE FOR WOMEN (AUTONOMOUS), VELLORE-1**

**SEMESTER EXAMINATIONS**

 **NOVEMBER – 2018 15CACO3C**

**ALLIED : ACCOUNTING AND FINANCE FOR MANAGERS**

Time : 3 Hrs Max.Marks : 75

SECTION-A (10 x 2 =20)

**Answer ALL the questions.**

1. Define Management Accounting.
2. What is Cost Accounting?
3. What are the various types of financial Statement?
4. Calculate the stock turnover ratio from the following:

Cost of goods sold Rs. 65,000

Sales Rs. 1,00,000

Average stock Rs. 15,000

1. What do you mean by Break Even Point?
2. State the formula for calculation of Margin of Safety.
3. Define Budgetary Control.
4. Write short notes on Cash Budget.
5. Explain the concept of financial management?
6. Give some examples for long-term finance.

 SECTION-B (5 x 5 =25)

 **Answer any FIVE of the following questions.**

1. Explain about the scope of management accounting.
2. From the following information prepare a trial balance for the year ending 31.3.2017.

 Cash 28,650

 Capital 50,000

 Bank 13,500

 Furniture 3,000

 Creditors 2,800

 Debtors 2,000

 Sales 7,000

 Purchase 10,100

 Wages 200

 Drawings 1,250

 Stationery 100

 Salary 1,000

1. Following is the Profit & Loss A/c of S Ltd. for the year ended 31.12.2014 and 31.12.2015. You are required to prepare a common size income statement.

 Profit & Loss Account (Rs. in Lakhs)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Particulars | 2014 | 2015 | Particulars | 2014 | 2015 |
| To Cost of goods soldTo Operating expenses: Administrative  SellingTo Net profit | 300101575400 | 375102095500 | By Net sales | 400400 | 500500 |

1. Calculate “Cash from Operation” from the following.

 **2003 2004**

 Profit & Loss A/c 10,000 20,000

 Bills Receivable 18,000 22,000

 Outstanding rent 1,600 4,000

 Prepaid insurance 2,000 1,800

 Stock 12,000 16,000

 Bills Payable 40,000 42,000

1. Raj Ltd. presents the following results for one year, calculate the PV ratio and Break Even Point.

 Sales 2,00,000

 Variable Cost 1,20,000

 Fixed Cost 50,000

 Net profit 30,000

1. You are required to prepare a production budget for the half year ending June 2011 from the following information.

Product Budgeted sales Actual Stock(31.12.2010) Desire Stock on 30.6.2011

 (Units) (Units) (Units)

 A 4,000 800 1,000

 B 10,000 1,200 2,000

1. From the following data calculate a)PV Ratio b). Profit

 Sales Rs. 20,000

 Fixed expenses Rs. 4,000

 Break-even point Rs. 10,000

1. Explain about the objectives of Financial Management.

SECTION-C (3 x 10 =30)

 **Answer ALL the questions.**

1. (a) From the following Trial balance of Thiru. Arul as on 31st March 2015, Prepare Trading, Profit

 and Loss A/c and Balance sheet taking into account the adjustment.

|  |  |  |  |
| --- | --- | --- | --- |
| Debit Balance | Rs. | Credit Balance | Rs. |
| Land & BuildingMachineryPatentsStock(Opening)Sundry debtorsPurchasesCash in handCash at bankReturn inwardsWagesFuel & PowerCarriage on salesCarriage on purchaseSalariesGeneral expensesInsuranceDrawings | 42,00020,0007,5005,76014,50040,6755402,6306808,4804,7303,2002,04015,0003,0006005,245\_\_\_\_\_\_\_\_\_1,76,580 | CapitalSalesReturn outwardsCreditorsBills payable | 62,00098,7805006,3009,0001,76,580 |

Adjustments:

1. Stock as on 31.03.2015 was Rs. 6800
2. Salary outstanding Rs. 1500
3. Insurance prepaid Rs. 150
4. Depreciate machine @ 10% and Patents @ 20%
5. Create a provision of 2% on debtors for bad debts.

(Or)

 (b) Explain about the short-term sources of Finance.

1. (a) A manufacturing company has drawn up the following profit & loss a/c for the year ended 31st

 March 2015:

|  |  |  |  |
| --- | --- | --- | --- |
| Particulars | Rs. | Particulars | Rs. |
| To Opening StockTo PurchaseTo WagesTo Manufacturing expensesTo Gross Profit C/dTo Selling & Distribution expensesTo Administration expensesTo Non-operating expensesTo Net profit | 10,00035,00040050020,10066,0008,9002,0003,0008,00021,900 | By SalesBy Closing StockBy Gross Profit b/dBy Interest on investment(Outside business)By Profit on sale of investment | 56,00010,00066,00020,1001,00080021,900 |

Calculate

1. Gross Profit ratio
2. Net Profit ratio
3. Operating ratio
4. Operating profit ratio
5. Administration expenses ratio

(Or)

 (b) From the following two balance sheet as at December 31, 2012 and 2013, you are required

 to prepare Fund Flow Statements.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Liabilities | 2012 | 2013 | Assets | 2012 | 2013 |
| Share capitalGeneral ReserveP&L A/cBank loanCreditorsProvision for taxation | 1,00,00025,00015,25035,00075,00015,0002,65,250 | 1,25,00030,00015,300-67,50017,5002,55,300 | Land & BuildingPlant & MachineryStockDebtorsCashBankGoodwill | 1,00,00075,00050,00040,000250--2,65,250 | 95,00084,50037,50032,0003004,0002,0002,55,300 |

Adjustments:

1. Dividend of Rs. 11,000 was paid during 2013.
2. Depreciation on plant written off in the year 2013 was Rs. 7,000
3. A provision for income tax Rs. 16,500 was made during the year.
4. (a) For production of 10,000 Electrical Automatic Irons the following are budgeted expenses;

 Per Unit (Rs.)

 Direct Materials 60

 Direct Labour 30

 Variable overheads 25

 Fixed overheads(Rs. 1,50,000) 15

 Variable expenses (direct) 5

 Selling expenses (10% fixed) 15

 Administration expenses 5

 (Rs. 50,000 fixed for all level of production)

 Distribution expenses (20% fixed) 5

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 Total Cost of sale per unit 160

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 Prepare a flexible budget for production of 7,000 , 8,000 irons.

(Or)

 (b) From the following information relating to P Ltd., you are required to findout

* 1. PV ratio
	2. Break Even Point
	3. Profit
	4. Margin of safety
	5. Volume of sales to earn profit of Rs. 6,000/-

Total Fixed cost Rs. 4,500

Total Variable cost Rs. 7,500

 Total Sales Rs. 15,000

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