|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Reg.No : |  |  |  |  |  |  |  |  |  |  |  |

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

**SEMESTER EXAMINATIONS**

**APRIL – 2017 15CACO4A**

***ALLIED : MANAGEMENT ACCOUNTING***

**Time: 3 Hrs Max. Marks: 75**

**SECTION – A (10 X 2 =20)**

**Answer ALL the questions.**

1. Define Management Accounting.
2. What is Zero base budgeting?
3. Define Fund
4. What is Working Capital?
5. What is meant by Cash flow Statement?
6. What is meant by Fund flow Statement
7. What is Ratio analysis?
8. Write the formula for turnover ratio.
9. Define Marginal Cost.
10. What is meant by Break – even point?

**SECTION – B (5 X 5 =25)**

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

1. Explain objectives of Budgeting Control.
2. Differentiate between fund flow and Cash flow statement.
3. What are the limitations of ratio analysis?
4. You are asked to compile a working capital statement from the following details:

|  |  |  |
| --- | --- | --- |
| Particulars | 1 – 1– 1999  Rs. | 31 – 12– 1999  Rs. |
| 8% Debentures  Outstanding rent  Cash in hand  Cash at bank  Accounts payable  Machinery  Accounts receivable  Prepaid commission  Inventories  Share premium  Equity Share Capital | 40,000  8,000  4,000  12,000  20,000  25,000  30,000  4,000  22,000  15,000  50,000 | 40,000  12,000  8,000  15,000  26,000  16,000  34,000  ----  27,000  15,000  50,000 |

1. From the following Balance sheets of Arvind Ltd., you are required to calculate cash from operation.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Liabilities | 1989(Rs) | 1990 (Rs) | Assets | 1989(Rs) | 1990(Rs) |
| Share Capital  Trade Creditors  Profit & Loss A/c | 4,00,000  1,40,000  20,000 | 5,00,000  90,000  46,000 | Cash  Debtors  Stock  Land | 60,000  2,40,000  1,60,000  1,00,000 | 94,000  2,30,000  1,80,000  1,32,000 |
|  | 5,60,000 | 6,36,000 |  | 5,60,000 | 6,36,000 |

1. From the following details of a trader you are required to calculate stock turnover ratio.

|  |  |
| --- | --- |
|  | Rs. |
| Sales  Sales returns  Opening stock at cost  Closing stock at cost  Total Gross Profit for the year | 39,984  380  1,378  1,814  8,068 |

1. You are required to prepare a production budget for the half year ending june 2000 from the following information:

|  |  |  |  |
| --- | --- | --- | --- |
| Product | Budgeted Sales Quantity | Actual Stock  on 31 – 12 -99 | Desired Stock  on 30-06-2000 |
| S  T | Units  20,000  50,000 | Units  4,000  6,000 | Units  5,000  10,000 |

1. From the following data calculate :
2. P/V Ratio ; b) Variable cost and c) Profit

|  |  |
| --- | --- |
|  | Rs. |
| Sales  Fixed expenses  Break – even Point | 80,000  15,000  50,000 |

**SECTION – C (3 X 10 =30)**

**Answer ALL the questions.**

1. a) What are the advantages and disadvantages of budgetary control?

(Or)

1. A Company products two product R and S.The following are the materials consumed for production of 100 tons of output.

|  |  |  |  |
| --- | --- | --- | --- |
| Material | Product R | Price  Rs. | Product S |
| Quantity  Tons. | Quantity  Tons. |
| A  B  C  D  E | 20  30  40  20  5 | 10 per ton  5 per ton  8 per ton  20 per ton  50 per ton | 40  --  20  30  20 |

During the quarter ended 31st March 1999, 500 tons of R and 400 tons of S were planned to be produced. Prepare a material consumption budget showing the total cost of material budgeted to be consumed for the quarter.

1. a) From the following Balance Sheets of Ponni Ltd., Prepare fund flow statement.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Balance Sheets | | | | | |
| Liabilities | 1989  Rs. | 1990  Rs. | Assets | 1989  Rs. | 1990  Rs. |
| Equity Share Capital | 3,00,000 | 4,00,000 | Goodwill | 1,15,000 | 90,000 |
| 8% Redeemable pref. Share Capital | 1,50,000 | 1,00,000 | Land & Buildings | 2,00,000 | 1,70,000 |
| General Reserve | 40,000 | 70,000 | Plant | 80,000 | 2,00,000 |
| P & L A/c | 30,000 | 48,000 | Debtors | 1,60,000 | 2,00,000 |
| Proposed dividend | 42,000 | 50,000 | Stock | 77,000 | 1,09,000 |
| Creditors | 55,000 | 83,000 | Bills receivable | 20,000 | 30,000 |
| Bills Payable | 20,000 | 16,000 | Cash in hand | 15,000 | 10,000 |
| Provision for Taxation | 40,000 | 50,000 | Cash at bank | 10,000 | 8,000 |
|  | 6,77,000 | 8,17,000 |  | 6,77,000 | 8,17,000 |

Additional Information:

1. Depreciation of Rs.10,000 and Rs.20,000 have been charged on plant account and

land and buildings account respectively in 1990.

1. An interim dividend of Rs.20,000 has been paid in 1990.
2. Income tax Rs.35,000 was paid during the year 1990.

(Or)

b) Prepare a Cash Flow Statement from the following data:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Balance Sheets | | | | | |
| Liabilities | 31-12-96  Rs. | 31-12-97  Rs. | Assets | 31-12-96  Rs. | 31-12-97  Rs. |
| Equity Capital | 5,000 | 5,300 | Cash | 2,000 | 2,500 |
| Long – term Debt | 1,400 | 1,300 | Accounts Receivable | 2,400 | 2,700 |
| Retained Earnings | 2,800 | 3,700 | Inventories | 3,100 | 3,200 |
| Accumulated Depreciation | 2,100 | 2,500 | Other Assets | 800 | 700 |
| Accounts Payable | 2,000 | 2,100 | Fixed Assets | 5,000 | 5,800 |
|  | 13,300 | 14,900 |  | 13,300 | 14,900 |

Additional Information:

1. Fixed assets costing Rs.1,200 were purchased for cash.
2. Fixed assets (Original cost Rs.400, accumulated depreciation Rs.150) were sold at book value.
3. Depreciation for the year 1997 amounted to Rs.550 and duly debited to P & L A/c.
4. Reported income for 1997 was Rs.1,200.
5. a) You are given the following information:

|  |  |
| --- | --- |
|  | Rs. |
| Cash | 18,000 |
| Debtors | 1,42,000 |
| Closing stock | 1,80,000 |
| Bills Payable | 27,000 |
| Creditors | 50,000 |
| Outstanding expenses | 15,000 |
| Tax Payable | 75,000 |

Calculate a) Current Ratio b) Liquidity Ratio c) Absolute liquidity Ratio.

(Or)

b) The sales turnover and profit during two years were as follows

|  |  |  |
| --- | --- | --- |
| Year | Sales  Rs. | Profit  Rs. |
| 1991  1992 | 1,40,000  1,60,000 | 15,000  20,000 |

Calculate

1. P/V Ratio
2. Break –even point
3. Sales required to earn a profit of Rs.40,000
4. Fixed expenses and
5. Profit when sales are Rs.1,20,000.

**\* \* \* \* \* \* \***