|  |  |  |  |  |  |  |  |  |  |  |  |
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| 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– 1999Rs. | 31 – 12– 1999Rs. |
| 8% DebenturesOutstanding rentCash in handCash at bankAccounts payableMachineryAccounts receivablePrepaid commissionInventoriesShare premiumEquity Share Capital | 40,000 8,000 4,00012,00020,00025,00030,000 4,00022,00015,00050,000 | 40,00012,000 8,00015,00026,00016,00034,000----27,00015,00050,000 |

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 CapitalTrade CreditorsProfit & Loss A/c | 4,00,0001,40,00020,000 | 5,00,00090,00046,000 | CashDebtorsStockLand  | 60,0002,40,0001,60,0001,00,000 | 94,0002,30,0001,80,0001,32,000 |
|  | 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. |
| SalesSales returnsOpening stock at costClosing stock at costTotal Gross Profit for the year | 39,984 3801,3781,8148,068 |

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 |
| ST | Units20,00050,000 | Units4,0006,000 | Units5,00010,000 |

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

|  |  |
| --- | --- |
|  |  Rs. |
| SalesFixed expensesBreak – even Point | 80,00015,00050,000 |

**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 | PriceRs. | Product S |
| QuantityTons. | QuantityTons. |
| ABCDE | 203040205 | 10 per ton 5 per ton 8 per ton20 per ton50 per ton | 40--203020 |

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 | 1989Rs. | 1990Rs. | Assets | 1989Rs. | 1990Rs. |
| 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 | 31-12-96Rs. | 31-12-97Rs. | Assets | 31-12-96Rs. | 31-12-97Rs. |
| 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. |
| 19911992 | 1,40,0001,60,000 | 15,00020,000 |

 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.

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