

S.NO: 209

BATCH: 2015

END OF SEMESTER EXAMINATIONS, APRIL/MAY - 2018
ACCOUNTING FOR DECISION MAKING
SUBJECT CODE: 15UAPA21

MAJOR: B.COM (PA)
TIME: 3 HOURS

SEMESTER VI
22 MAX MARKS: 75

SECTION - A (10 X 1 = 10)

Answer ALL questions:

1. Define Management Accountant.
2. Give any two objectives of management accounting.
3. What is a Comparative Financial statement?
4. What is Ratio Analysis?
5. What is Fund Flow statement?
6. What is cash from operations?
7. Give Marginal cost Equation.
8. Describe the Meaning of Margin of safety.
9. What is cash Budget?
10. What is Zero Base Budgeting?

SECTION - B (5 X 4 = 20)

Answer any FIVE questions:

11. Discuss the Limitations of Management Accounting.
12. What is meant by Budgetary control? Give its importance in business.
13. What are the objectives of Management accounting?
14. Calculate stock Turn over Ratio when opening stock is Rs.10,000. Closing stock is Rs.30,000, Sales Rs.20,000 and profit Rs.60,000.
15. Calculate a) Contribution b) P/V Ratio
 1. Fixed Expenses Rs.1,50,000
 2. Variable cost Rs.10
 3. Selling Price Rs.15
16. Prepare a schedule of changes in working capital from the Balance sheet data given

Below: Balance Sheets

Liabilities	2016 Ra.	2017 Ra.	Assets	2016 Ra.	2017 Ra.
Share Capital	3,00,000	3,75,000	Machinery	70,000	1,00,000
Creditors	1,06,000	70,000	Stock	1,21,000	1,36,000
P&L a/c	14,000	31,000	Debtors	1,81,000	1,70,000
			Cash	48,000	70,000
	4,20,000	4,76,000		4,20,000	4,76,000

17. From the following Balance sheet, prepare Common size statement.

Liabilities	2015 Ra.	2016 Ra.	Assets	2015 Ra.	2016 Ra.
Share Capital	6,58,000	7,00,000	Cash	27,000	31,500
L.T. Debt	2,25,000	2,00,000	Debtors	2,20,000	2,11,000
Sundry			Stock	1,00,000	1,26,000
Creditors	42,000	50,000	Prepaid Expenses	11,000	21,000
Other Liabilities	78,000	1,00,000	Bills Receivable	10,000	10,500
			Fixed Assets	6,35,000	6,50,000
	10,03,000	10,50,000		10,03,000	10,50,000

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18. From the following figures, prepare Flow Materials Purchases Budget for Jan. 1977

Particulars	Materials (Units)					
	A	B	C	D	E	F
Estimated stock						
1 st Jan	30,000	40,000	25,000	20,000	25,000	20,000
Estimated Stock						
on 31 st Jan	20,000	30,000	20,000	15,000	20,000	20,000
Estimated						
Consumption	1,00,000	44,000	1,00,000	20,000	20,000	1,70,000
Standard Price						
Per unit	20 paise	5 paise	15 paise	75 paise	10 paise	50 paise

SECTION - C (3 X 10 = 30)

Answer any THREE questions

19. Explain the Duties of Management Accountant
20. Explain the merits and demerits of Marginal costing.
21. From the following Balance sheet as on 31st December Year 1976, and to prepare a cash flow statement

Liabilities	2014		Assets	2014	
	Rs	Paise		Rs	Paise
Share Capital	1,00,000	1,50,000	Fixed Assets	1,50,000	1,50,000
P & L acc	50,000	60,000	Good will	50,000	60,000
General Reserve	20,000	40,000	Inventories	50,000	60,000
10% Bonds	50,000	50,000	Debtors	50,000	60,000
Sundry Creditors	30,000	40,000	Bills Receivable	10,000	20,000
OS Expenses	10,000	15,000	Bank	10,000	15,000
	2,70,000	3,85,000		2,70,000	3,85,000

22. From the following information
 Calculate : 1. Sales 2. Debtors 3. Closing stock 4. Sundry creditors.
 a. Debtors Velocity = 3 Months
 b. Stock Velocity = 6 Months
 c. Creditors Velocity = 2 Months
 d. Gross profit Ratio = 25%
 Gross Profit for the year ended amounts to Rs. 4,00,000. Closing stock of the year is Rs. 10,000 above the opening stock.

23. Draw up a flexible budget for production at 75% and 100% capacity on the basis of the following data for a 50% activity.

Particulars	Percent (Rs.)
1. Materials	100
2. Labour	50
3. Variable Expenses (Direct)	10
4. Administrative Expenses (50% Fixed)	40,000
5. Selling and Distribution Expenses (60% Fixed)	50,000
6. Present production (50% Activity)	1,000 Units
