



QP CODE: 23105373

Reg No :

Name :

**B.COM DEGREE (CBCS) REGULAR / REAPPEARANCE EXAMINATIONS, MARCH
2023**

Sixth Semester

CORE - CO6CRT20 - MANAGEMENT ACCOUNTING

(Common to all B.Com Degree Programmes)

2017 Admission Onwards

EF355BA9

Time: 3 Hours

Max. Marks : 80

Instructions to Private candidates only: This question paper contains two sections. Answer **SECTION I** questions in the answer-book provided. **SECTION II**, Internal Examination questions must be answered in the question paper itself. Follow the detailed instructions given under **SECTION II**

SECTION I

Part A

Answer any ten questions.

Each question carries 2 marks.

1. Who is a Management Accountant ?
2. What is Financial Planning ?
3. Write a short note on Trend Analysis.
4. Calculate trend percentages from the following taking 2015 as base year. Also interpret the results.

Year	2015	2016	2017	2018	2019
Sales (Rs.)	2,50,000	3,20,000	3,50,000	4,30,000	5,00,000

5. Define Ratio Analysis.
6. What are Current Liabilities?
7. Write a short note on Debt- Equity Ratios?
8. Calculate Net Profit Ratio:
Net Profit 1,00,000
Net revenue Operations 8,00,000





9. What do you mean by the term 'Fund'?
10. When does flow of fund takes place?
11. What is meant by Cash Flow from Extraordinary item ? Give an example.
12. Calculate Cash from Operation from the following information :

Net Profit	Rs.3,20,000
Opening Stock	Rs.60,000
Closing Stock	Rs.80,000

(10×2=20)

Part B

Answer any six questions.

Each question carries 5 marks.

13. What are the objectives of Management Accounting ?
14. Explain the uses of Financial Statements.
15. Explain the limitations of Financial Statement Analysis.
16. What are the ratios used for analysing Capital structure of a company?
17. From the following particulars, prepare:

(1) Stock Turnover Ratio	(2) Fixed Assets Turnover Ratio
(3) Debtors Turnover Ratio	(4)Creditors Turnover Ratio
(5)Debt Collection Period	(6)Debt Payment Period

	(Rs in '000)
Sales	17,874
Sales Returns	4
Other Income	53
Cost of Sales	15,440
Administration expense	1,843
Depreciation	63
Interest expenses	456
Purchases	15,000
Purchase Return	5
Debtors	10,000
Bills receivable	2,000
Creditors	5,000
Bills payable	3,000





Opening stock	4,000
Closing stock	5,000
Fixed Assets	5,000

18. The Balance Sheets of AB Ltd as on 31/03/2018 and 31/03/2019 is given below;

	31-12-2018	31-12-2019
I. Equity and Liabilities:		
1. Share Holder's Fund		
a) Share Capital	5,00,000	6,50,000
b) General reserve	74,000	78,000
c) Profit and Loss Account	86,000	94,000
2. Non-Current Liabilities		
8 % Debentures	1,00,000	75,000
3. Current Liabilities		
a) Trade Creditors	1,87,000	1,90,000
b) Outstanding Expenses	13,000	16,500
c) Provision for Taxation	50,000	75,000
d) Proposed Dividend	50,000	65,000
Total Liabilities	10,60,000	12,43,500
II. Assets:		
1. Non-Current Assets		
a) Fixed: Tangible Assets		
i) Land and Building	5,75,000	5,17,500
ii) Machinery	2,20,000	3,98,000
iii) Furniture	8,500	7,650
2. Current Assets		
i) Stock	1,33,100	1,61,500
ii) Debtors	1,09,500	1,17,300
iii) Bills Receivable		29,550
iv) Cash	13,900	12,000
Total Assets	10,60,000	12,43,500

Prepare a schedule of changes in working capital. Consider provision for taxation and proposed dividend as current assets.

19. Calculate Funds from Operations from the information given below as on 31/03/2019:

Profit after tax for the year ended 31st March 2019-Rs. 9,50,000.

Gain on sale of building Rs. 68,500.

Goodwill appears in the books at Rs. 2,80,000 out of 10% has been written off during the year.

Rs. 1,15,000 have been transferred to General Reserve





Depreciation has been provided during the year on machinery and furniture at 20% whose total cost is Rs. 8,50,000.

Loss on sale of machinery Rs. 17,500.

Interest on investment credited to Profit and Loss Account Rs. 1,27,800.

Interim Dividend paid Rs. 75,000.

Patent written off Rs. 27,500.

20. From the following information, find out Cash Flow from Investing Activities

PARTICULARS	CLOSING BALANCE (Rs.)	OPENING BALANCE (Rs.)
Machinery at Cost	4,20,000	4,00,000
Accumulated Depreciation	1,10,000	1,00,000
Patents	1,60,000	2,80,00

Additional Information:

1. During the year, a machine costing Rs.40,000 with its accumulated depreciation of Rs.24,000 was sold for Rs.20,000.
2. Patents were written off to the extent of Rs.40,000 and some patents were sold at a profit of Rs.20,000.

21. ABC Ltd. provided the following information, calculate Net Cash Flow from Financing Activities:

PARTICULARS	31 st March 2020 (Rs.)	31 st March 2019 (Rs.)
Equity Share Capital	12,00,000	10,00,000
12% Debentures	2,00,000	1,00,000

Additional Information :

1. Interest paid on Debentures Rs.19,000.
2. Dividend paid Rs.50,000.
3. During the year, ABC Ltd. issued bonus shares in the ratio of 5:1 by capitalising reserve.

(6×5=30)





Part C

Answer any **two** questions.

Each question carries **15** marks.

22. From the following Balance Sheets of Texas Ltd as at 31 st March 2018 and 2019, prepare a Comparative Balance Sheet.

	31-03-2018	31-03-2019
I. Equity and Liabilities:		
1. Share Holder's Fund		
a) Share Capital	3,60,000	4,44,000
b) Profit and Loss Account	1,51,800	1,63,800
2. Non-Current Liabilities		
Accumulated Depreciation on Building	1,20,000	1,32,000
3. Current Liabilities		
a) Income Tax Payable	12,000	13,200
b) Outstanding Expenses	24,000	48,000
c) Trade Creditors	2,40,000	2,34,000
Total	9,07,800	10,35,000
II. Assets:		
1. Non-Current Assets		
a) Fixed: Tangible Assets		
i) Land	48,000	96,000
ii) Buildings and Equipment	3,60,000	5,76,000
2. Current Assets		
i) Stock	2,64,000	96,000
ii) Debtors	1,68,000	1,86,000
iii) Sundry Advances	7,800	9,000
iv) Cash	60,000	72,000
Total	9,07,800	10,35,000

23. From the following information presented by a firm for the year ended 31st December, prepare the Balance Sheet:

Sales to Net Worth	5 Times
Current Liabilities to Net Worth	50%
Total Debts to Net Worth	60%
Fixed Assets to Net Worth	60%
Current Ratio	2





Sales to Stock	10 Times
Debtor's velocity	9 Times
Annual Sales	Rs. 15,00,000
Cash Sales	40% of Sales

24. The following are the summarised Balance Sheets of Essar Ltd as on 31st March 2018 and 31st March 2019.

	31-03-2018	31-03-2019
I. Equity and Liabilities:		
1. Share Holder's Fund		
a) Equity Share Capital	1,00,000	1,10,000
b) Preference Share Capital	2,20,000	2,50,000
c) Share Premium	20,000	26,000
d) Profit and Loss Account	1,04,000	1,34,000
2. Current Liabilities		
a) 12 % Debentures	70,000	64,000
3. Current Liabilities		
a) Trade Creditors	38,000	46,000
b) Bills payable	5,000	4,000
c) Provision for Taxation	10,000	12,000
d) Dividends Payable	7,000	8,000
Total Liabilities	5,74,000	6,54,000
II. Assets:		
1. Non-Current Assets		
a) Fixed: Tangible Assets		
i) Machinery	2,00,000	2,30,000
ii) Plant	1,50,000	1,76,000
iii) Building	18,000	18,000
2. Current Assets		
i) Cash at Bank	42,000	32,000
ii) Debtors	38,000	38,000
iii) Bills Receivable	42,000	62,000
iv) Stock	84,000	98,000
Total Assets	5,74,000	6,54,000

You are required to prepare Funds Flow Statement.





25.

From the following summarized Cash Book of S K Ltd. Prepare Cash Flow Statement for the year ended March 31, 2019 in accordance with AS – 3 :

PARTICULARS	Rs.	PARTICULARS	Rs.
<i>To Balance b/d</i>	<i>10,000</i>	<i>By Payment to Suppliers</i>	<i>4,00,000</i>
<i>To Receipts from Customers</i>	<i>5,00,000</i>	<i>By Purchase of Machine</i>	<i>1,50,000</i>
<i>To Sale of Building</i>	<i>1,90,000</i>	<i>By Purchase of Furniture</i>	<i>50,000</i>
<i>To Issue of Equity Shares</i>	<i>2,00,000</i>	<i>By Wages and Salaries</i>	<i>30,000</i>
<i>To Issue of Preference Shares</i>	<i>1,00,000</i>	<i>By Rent, Rate and Taxes</i>	<i>20,000</i>
		<i>By Income Tax</i>	<i>25,000</i>
		<i>By Redemption of Debentures</i>	<i>2,75,000</i>
		<i>By Dividends</i>	<i>30,000</i>
		<i>By Balance c/d</i>	<i>20,000</i>
	<i>10,00,000</i>		<i>10,00,000</i>

(2×15=30)

