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(Pages : 4)

Name.....

Reg. No.....

**FIFTH SEMESTER (CBCSS-UG) DEGREE EXAMINATION  
NOVEMBER 2022**

B.Com.

BCM 5B 07—ACCOUNTING FOR MANAGEMENT

(2019 Admission onwards)

Maximum : 80 Marks

Time : Two Hours and a Half

**Part A**

*Answer all questions.  
Each question carries 2 marks.*

1. Define management accounting.
2. What is intra firm analysis ?
3. What do you mean by common size statements ?
4. Explain notes to account.
5. Describe absolute liquidity ratio.
6. Explain the relevance of debt-equity ratio.
7. What is EPS ?
8. Total sales = 5,20,000 ; Sales returns = 20,000 ; Cost of goods sold 4,00,000 Calculate gross profit ratio.
9. What is schedule of changes in working capital ?
10. Explain funds from operation.
11. What do you mean by cash flows from financing activities?
12. State the objectives of cash flow statement.
13. What is contribution ?
14. From the following information calculate : 1. P/V Ratio ; 2. Breakeven point in Units ; and 3. Breakeven point in Value.  
Selling price per unit Rs.20, Variable cost per unit Rs.12, Fixed costs Rs.32000.
15. Explain cost volume profit analysis.

(15 × 2 = 30, Maximum ceiling 25 marks)

**Turn over**

## Part B

Answer all questions.  
Each question carries 5 marks.

16. Explain the limitations of management accounting.
17. What is financial analysis? Explain various tools used for financial analysis.
18. Calculate the current ratio from the following information : Working capital Rs. 9,60,000 ; Total debts Rs. 20,80,000 ; Long-term Liabilities Rs. 16,00,000 ; Stock Rs. 4,00,000 ; prepaid expenses Rs. 80,000.
19. Explain the following :
  - a) Working capital turnover ratio
  - b) Dividend yield ratio.

20. Calculate cash flows from financing activities :

	31-3-2019	31-3-2020
Equity share capital	8,00,000	12,00,000
12% Preference share capital	3,00,000	—
14% Debentures	—	2,00,000

Additional information :

- 1 Equity shares were issued at a premium of 15%.
  - 2 12% Preference shares were redeemed at a premium of 5%.
  - 3 14% Debentures were issued at a discount of 10%.
  - 4 Interim dividend paid on Equity shares Rs. 1,00,000.
  - 5 Dividend paid on Preference shares Rs. 24,000.
  - 6 Interest paid on Debentures Rs. 14,000.
  - 7 Underwriting commission on Equity shares Rs. 20,000.
21. Calculate funds from operations from the information given below as on 31st March 2020 :
    - 1 Net profit for the year ended 31st march 2020-6,50,000
    - 2 Gain on sale of building Rs. 35,500
    - 3 Goodwill appears in the books at Rs 1,80,000 out of that 10% has been written off during the year.

- 4 Old machinery worth Rs. 8,000 has been sold for 6,500 during the year
- 5 Rs. 1,25,000 has been transferred to the general reserve fund
- 6 Depreciation has been provided during the year on machinery and furniture at 20% whose total cost is 6,50,000

22. The following data have been obtained from the records of a manufacturing firm :

	Period I	Period II
Sales	3,00,000	3,20,000
Total cost	2,60,000	2,72,000

Calculate : 1. Break even sales ; 2. Profit when sales are Rs.360000 ; and 3. Sales required to earn a profit of Rs.5000

23. Differentiate marginal costing and absorption costing.

(8 × 5 = 40, Maximum ceiling 35 marks)

### Part C

*Answer any two questions.  
Each question carries 10 marks.*

24. Calculate the trend percentages from the following figures of ABC Ltd. Taking 2015 as the base and interpret them.

Year	Sales	Stock	Profit before Tax (Rs. In lakhs)
2015	1881	709	321
2016	2340	781	435
2017	2655	816	458
2018	3021	944	527
2019	3768	1154	672

25. What is fund flow statement? Write its uses and limitations.

Turn over

26. From the following information you are required to prepare a Balance sheet :

1	Current liabilities	-	1,00,000
2	Reserves and surplus	-	50,000
3	Bills payable	-	40,000
4	Debtors	-	35,000
5	Current ratio	-	1.75
6	Acid test ratio	-	1.15
7	Fixed assets to proprietors fund	-	0.75
8	Ratio of fixed assets to current assets	-	3

27. Define marginal costing. Explain the managerial uses of marginal costing.

(2 × 10 = 20 marks)