



35425

Reg. No.

--	--	--	--	--	--	--	--

IV Semester B.B.A. Degree Examination, September/October - 2022

BUSINESS ADMINISTRATION

Management Accounting

(CBCS Scheme -Freshers &amp; Repeaters 2019)

Time : 3 Hours

Maximum Marks : 70

*Instructions to Candidates:*

Answers should be written in English only.

## SECTION - A

I. Answer any Five.

(5×2=10)

1. a. Define management accounting.
- b. What do you mean by ratio analysis.
- c. What is meant by cash flow statement?
- d. What is contribution.
- e. What is angle of incidence.
- f. What is a cash budget.
- g. What is Budgeting.

## SECTION - B

II. Answer any Three.

(3×5=15)

2. Write the difference between financial accounting and management accounting.
3. 'X' Ltd has a current ratio of 4:5:1 and a quick ratio of 3:1. If its inventory is Rs. 60,000. Find out the total current assets and total current liabilities.

[P.T.O.]





4. Calculate cash from operating activities from the following :

	31st March	
	2020	2021
Profit and loss account	60,000	65,000
Debtors	85,000	48,000
Bills receivable	40,000	81,000
General Reserve	1,72,000	2,07,000
Wages outstanding	26,000	8,000
Salaries prepaid	8,000	10,000
Goodwill	70,000	60,000

5. What is the actual sales?

- Fixed cost                      Rs. 8,000
- Profit earned                      Rs. 2,000
- Break even sales                      Rs. 40,000

**SECTION - C**

III. Answer any Three.

(3×15=45)

6. From the information given below, calculate the following ratio's.

- a. Quick ratio.
- b. Stock turnover ratio.
- c. Debt - equity ratio.
- d. Return on investment

Further information :

Current assets	Rs. 5,00,000
Opening stock	Rs. 50,00,000
Closing stock	Rs. 1,50,000
Cost of goods sold	Rs. 12,00,000
Gross profit	Rs. 2,00,000
Indirect expenses	Rs. 20,000
Equity share capital	Rs. 7,00,000
10% prof share capital	Rs. 3,00,000
12% Debentures	Rs. 2,00,000
Current liabilities	Rs. 2,00,000
General Reserve	Rs. 1,00,000



(3)

35425

7. The following details are available from a company

	31-12-2020	31-12-2021
Assets		
Cash	9,000	7,800
Debtors	14,900	17,700
Stock	49,200	42,700
Land	20,000	30,000
Goodwill	10,000	5,000
Liabilities	1,03,100	1,03,200
Share capital	31-12-2020	31-12-2021
Debentures	70,000	74,000
Reserve for doubtful debts	12,000	6,000
Trade creditors	700	800
Profit and loss A/c	10,360	11,840
	10,040	10,560
	1,03,100	1,03,200

In addition, you are given

- Dividend paid total Rs. 3,500.
  - Land purchased for Rs. 10,000.
  - Amount provided for amortisation of goodwill Rs. 5,000.
  - Debentures paid off Rs. 6,000, prepare cashflow statement.
8. The sales turnover and project during 2 years were as follows.

Year	Sales	Profit
2020	14,00,000	1,50,000
2021	16,00,000	2,00,000

You are required to calculate :

- P/V ratio.
- BEP for sales.
- Sales required to earn a profit Rs. 4,00,000.
- Profit when sales are Rs. 12,00,000.

P.T.O.



9. From the following budget data of a toy manufacturing company at the end of April, May and June 2022.

Month	Sales	Purchase	Wages	Misc.
February	1,20,000	84,000	10,000	7,000
March	1,30,000	1,00,000	12,000	8,000
April	80,000	1,04,000	8,000	6,000
May	1,16,000	1,06,000	10,000	12,000
June	88,000	80,000	8,000	6,000

**Additional information :**

- Sales : 30% realised in the month of sales, discount allowed 3%. Balance realized equally in 2 subsequent months.
- Purchases : These are paid in the month following the month of supply.
- Wage : 20% paid in arrears following month.
- Miscellaneous : Paid a month in arrears.
- Expense rent : Rs. 2,000 per month paid quarterly in advance due in April.
- Income tax : First installment of advance tax Rs. 25,000 due and before 15<sup>th</sup> June.
- Income from investments : Rs. 5,000 received quarterly in April, July Etc.
- Cash - in - hand : Rs. 10,000 on 1<sup>st</sup> April 2022 prepare cash budget.



35425

Reg. No.

--	--	--	--	--	--	--	--	--	--

**IV Semester B.B.A. Degree Examination, August/September - 2023**  
**BUSINESS ADMINISTRATION**  
**Management Accounting**  
**(CBCS Scheme & Repeaters 2019)**

**Time : 3 Hours**

**Maximum Marks : 70**

**Instructions to Candidates:**

Answers should be written in English only.

**SECTION - A**

**I. Answer any Five.**

**(5×2=10)**

1. a. Write any tools used in management accounting.
- b. Define Reporting
- c. Give the meaning of current ratio.
- d. What is cash and cash equivalents?
- e. Define margin of safety
- f. What is angle of incidence?
- g. Define Budgeting.

**SECTION - B**

**II. Answer any Three.**

**(3×5=15)**

2. Describe the functions of management accounting
3. A firm has a current ratio of 3 : 1 its net working capital is Rs. 200,000. You are required to determine.

**[P.T.O.]**



(2)

- i) Current assets
- ii) Current Liabilities
- iii) Liquid assets assuring inventory of Rs. 2,20,000

4. From the following data calculate the Break-even point.

Direct material per unit	Rs. 3
Direct Labour per unit	Rs. 2
Fixed overhead (Total)	Rs. 10,000
Variable overhead	100 / on direct labour
Selling price per unit	10
Trade discount	5%

Also determine the net profits, if sales are 10% above the break-even point.

5. List out the points of differences between financial Accounting and management Accounting.

### SECTION - C

III. Answer any Three.

(3×15=45)

6. The following are the ratio of XYL Ltd.

Debtors velocity	3 months
Creditors velocity	2 months
Stock velocity	8 months
Gross profit ratio	25%

Gross profit for year ended 31<sup>st</sup> March 2022 amounted to Rs. 400,000 closing stock of the year is Rs. 10,000 more than opening stock. B/R amount to Rs. 25,000 and B/P are Rs. 10,000

Assume all sales and purchases are on credit basis. Find out:

- a) Sales
- b) Sundry debtors
- c) Closing stock
- d) Sundry creditors



(3)

35425

7. The balance sheets of VXL Ltd as at December 31 of two years are given below.

Assets	2022 (Rs.)	2021 (Rs.)
Cash Balance	60,000	50,000
Trade debtors	1,00,000	75,000
Inventory	1,20,000	1,40,000
Land	80,000	1,00,000
Plant and machinery	2,50,000	2,00,000
<b>Total</b>	<b>6,10,000</b>	<b>5,65,000</b>

Liabilities and capital

Trade Creditors	40,000	30,000
Debentures	90,000	150,000
Provision for depreciation on plant	80,000	60,000
Equity share capital	2,40,000	2,00,000
Retained Earnings	1,60,000	1,25,000
<b>Total</b>	<b>6,10,000</b>	<b>5,65,000</b>

\* Cash dividends of Rs. 25,000 have been paid during the year.

You are required to prepare a cash flow statement on indirect basis

8. You are given the following data:

Year	Sales	Profit
2021	Rs. 1,20,000	8,000
2022	Rs. 1,40,000	13,000

Find out

- P/V ratio.
- B.E point
- Profit when sales are Rs. 1,80,000
- Sales required to earn a profit of Rs. 12,000
- Margin of safety in year 2022

[P.T.O.]



(4)

9. Prepare flexible budget for the overheads of Damyanti Ltd. from the following data and ascertain the overhead rates based on direct labour hrs. at 50%, 60% and 70% capacity.

At 60% capacity

Variable overheads :-	
Indirect Material	Rs. 6,000
Indirect Labour	Rs. 18,000
Semi-variable overheads:	
Electricity (40% fixed, 60% variable)	Rs. 30,000
Repair (80% fixed, 20% variable)	Rs. 3,000
Fixed overheads:-	
Depreciation	Rs. 16,500
Insurance	Rs. 4,500
Salaries	Rs. 15,000

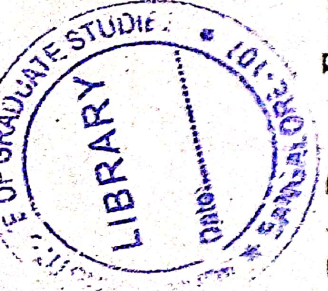
Estimated direct labour hours 1,86,000 hrs.

---





35425



Reg. No.

--	--	--	--	--	--	--	--	--	--

IV Semester B.B.A. Degree Examination, August/September - 2023

**BUSINESS ADMINISTRATION**  
**Management Accounting**  
**(CBCS Scheme & Repeaters 2019)**

Time : 3 Hours

Maximum Marks : 70

**Instructions to Candidates:**

Answers should be written in English only.

**SECTION - A**

**I Answer any Five.**

**(5×2=10)**

1. a. Write any tools used in management accounting.
- b. Define Reporting
- c. Give the meaning of current ratio.
- d. What is cash and cash equivalents?
- e. Define margin of safety
- f. What is angle of incidence?
- g. Define Budgeting.

**SECTION - B**

**II Answer any Three.**

**(3×5=15)**

2. Describe the functions of management accounting
3. A firm has a current ratio of 3 : 1 its net working capital is Rs. 200,000. You are required to determine.

**P.T.O.**



(2)

- i) Current assets
- ii) Current Liabilities
- iii) Liquid assets assuring inventory of Rs. 2,20,000

4. From the following data calculate the Break-even point.

Direct material per unit	Rs. 3
Direct Labour per unit	Rs. 2
Fixed overhead (Total)	Rs. 10,000
Variable overhead	100 / on direct labour
Selling price per unit	10
Trade discount	5%

Also determine the net profits, if sales are 10% above the break-even point.

5. List out the points of differences between financial Accounting and management Accounting.

#### SECTION - C

III Answer any Three.

(3×15=45)

6. The following are the ratio of XYL Ltd.

Debtors velocity	3 months
Creditors velocity	2 months
Stock velocity	8 months
Gross profit ratio	25%

Gross profit for year ended 31<sup>st</sup> March 2022 amounted to Rs. 400,000 closing stock of the year is Rs. 10,000 more than opening stock. B/R amount to Rs. 25,000 and B/P are Rs. 10,000

Assume all sales and purchases are on credit basis. Find out:

- a) Sales
- b) Sundry debtors
- c) Closing stock
- d) Sundry creditors



(3)

35425

7. The balance sheets of VXL Ltd as at December 31 of two years are given below.

Assets	2022 (Rs.)	2021(Rs.)
Cash Balance	60,000	50,000
Trade debtors	1,00,000	75,000
Inventory	1,20,000	1,40,000
Land	80,000	1,00,000
Plant and machinery	2,50,000	2,00,000
<b>Total</b>	<b>6,10,000</b>	<b>5,65,000</b>

Liabilities and capital

Trade Creditors	40,000	30,000
Debentures	90,000	150,000
Provision for depreciation on plant	80,000	60,000
Equity share capital	2,40,000	2,00,000
Retained Earnings	1,60,000	1,25,000
<b>Total</b>	<b>6,10,000</b>	<b>5,65,000</b>

\* Cash dividends of Rs. 25,000 have been paid during the year.

You are required to prepare a cash flow statement on indirect basis

8. You are given the following data:

Year	Sales	Profit
2021	Rs. 1,20,000	8,000
2022	Rs. 1,40,000	13,000

Find out

- P/V ratio.
- B.E point
- Profit when sales are Rs. 1,80,000
- Sales required to earn a profit of Rs. 12,000
- Margin of safety in year 2022

[P.T.O.]





1430917

DCBB401



Reg.No. 

--	--	--	--	--	--	--	--

IV Semester B.B.A. Degree Examination, September - 2023  
**BUSINESS ADMINISTRATION**  
Management Accounting

Paper : 4.1  
(NEP Scheme Regular)

Maximum Marks : 60

Time : 2½ Hours

**Instructions to Candidates:**

Answer should be written in english only.

**SECTION - A**

Answer any **FIVE** of the following questions. Each question carries **Two** marks. (5×2=10)

1. a) Define management accounting.
- b) State any two advantages of management accounting.
- c) Name any two liquidity ratios.
- d) Write any two objectives of cash flow statement.
- e) What is meant by marginal costing?
- f) What is break - even point?
- g) What do you mean by budgetary control?

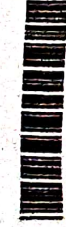
**SECTION - B**

Answer any **FOUR** of the following questions. Each question carries **Five** marks. (4×5=20)

2. Explain in brief any five functions of management accounting.
3. ABC Ltd. has a current ratio of 4.5:1 and a quick ratio of 3:1. If its inventory is Rs. 60,000, Calculate its current assets and current liabilities.
4. Calculate cash flow from financing activities from the following data.

Particulars	Amount (Rs.)
Issue of equity shares	5,00,000
Issue of 9% Debentures	4,00,000
Redemption of preference shares	2,50,000

[P.T.O.]



(2)

Raising of long term loan	3,50,000
Repayment of Bank overdraft	2,00,000
Dividends paid	1,00,000
Interest Received	50,000
Sale of Furniture	1,00,000

5. Following are the details of Rahul Co.,

Sales	Rs. 1,00,000
Profit	Rs. 10,000
Variable cost	70%

From the above details find out :

- P/V Ratio
  - Fixed cost
  - Sales volume to earn a profit of Rs. 40,000.
6. Explain any five merits of budgetary control.

#### SECTION - C

Answer any TWO of the following questions. Each question Carries Twelve marks.

(2×12=24)

7. From the following details prepare Balance sheet (Vertical form)

- Current Ratio 2.75
- Liquid Ratio 2.25
- Working capital 3,50,000
- Reserves and surplus 50,000

Total current assets include stock, Debtors and Cash only, which are in the ratio of 2:6:3. Creditors and Bills payable are in the ratio of 3:2. Fixed assets are 50% of share capital. The share capital is Rs. 6,00,000. There are no other items of assets and Liabilities.

8. The expenses budgeted for production of 10,000 units in a factory are furnished below:

Particulars	Rs. Per unit
Materials	70
Labour	25
Variable overheads	20
Fixed overheads (Rs. 1,00,000)	10
Variable expenses (Direct)	5
Selling expenses (10% fixed)	13
Distribution expenses (20% fixed)	7
Administration expenses (Rs. 50,000)	5
<b>Total</b>	<b>155</b>



(3)

DCBB401

Prepare a flexible budget for the production of

- 8,000 units
- 10,000 units and
- 6,000 units.

Assume that administration expenses are rigid for all levels of production.

9. The following details are available from Saanvi company.

Assets	(Rs.) 31-03-2022	(Rs.) 31-03-2023
Cash	9,000	7,800
Debtors	14,900	17,700
Stock	49,200	42,700
Land	20,000	30,000
Good will	10,000	5,000
<b>Total</b>	<b><u>1,03,100</u></b>	<b><u>1,03,200</u></b>

Liabilities	(Rs.) 31-03-2022	(Rs.) 31-03-2023
Share Capital	70,000	74,000
Debentures	12,000	6,000
Reserve for Doubtful Debts	700	800
Trade creditors	10,360	11,840
Profit and Loss A/c	10,040	10,560
<b>Total</b>	<b><u>1,03,100</u></b>	<b><u>1,03,200</u></b>

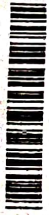
**Additional Information:-**

- Land purchased Rs. 10,000
- Debentures paid off Rs. 6,000
- Dividend paid Rs. 3,500
- Amount Provided for amortisation of Goodwill is Rs. 5,000

Prepare cash flow statement as per Ind AS-7

[P.T.O.]





DCBB401

(4)

**SECTION - D**

**Answer any ONE of the following questions. Each question carries Six marks.  
(1×6=6)**

10. Prepare using imaginary figures a cash budget, for three months.
  11. Prepare a Break - Even chart with imaginary figures.
-