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(Pages : 4)

Name.....

Reg. No.....

FIFTH SEMESTER B.Com. DEGREE EXAMINATION, NOVEMBER 2021

(UG—CBCSS)

BCM 5B 07—ACCOUNTING FOR MANAGEMENT

(2019 Admissions)

Time : Two Hours and a Half

Maximum : 80 Marks

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

1. What is management accounting ?
2. What is external analysis ?
3. Describe trend analysis.
4. What is comparative balance sheet ?
5. What do you mean by solvency ratio ?
6. Explain P/E Ratio,
7. Calculate EPS :
Equity share capital (Rs.10 each)-Rs. 9,00,000
Rate of tax-50 % of net profit
Net profit before tax-Rs. 1,80,000
8. Explain the significance of capital gearing ratio.
9. Define fund flow statement.
10. Explain the treatment of proposed dividend as a non-current liability.
11. What do you mean by cash equivalents ?
12. What are the objectives of cash flow statement ?
13. What is margin of safety ?

Turn over

14. Explain CVP analysis.
15. A company estimates that next year it will earn a profit of Rs. 50,000. The budgeted fixed cost and sales are Rs. 2,50,000 and Rs. 10,00,000 respectively. Find out the break even point for the company.

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

Part B

Answer all questions.

Each question carries 5 marks.

16. Differentiate management accounting and financial accounting.
17. Calculate trend percentages from the following taking 2015 as base year and interpret the results :

Year	:	2015	2016	2017	2018	2019
Revenue from operation	:	100000	130000	148000	170000	196000
Gross profit	:	50000	64000	70000	86000	100000

18. From the following data, calculate collection period :

Total sales = 6,00,000

Cash sales = 1,00,000

Debtors on 1-1-2020 = 50,000

Debtors on 31-12-2020 = 70,000

Bills receivable on 1-1-2020 = 30,000

Bills receivable on 31-12-2020 = 50,000

19. What is ratio analysis ? State its objectives.

20. Describe the applications of fund :

Receipts	Rs.	Payment	Rs.
To balance b/d	1,00,000	By Cash purchases	6,00,000
„ cash sales	16,00,000	„ Payment to suppliers	14,00,000
„ Receipt from customers	20,00,000	„ Wages and salaries	4,00,000
„ issue of shares	14,00,000	„ Rent, rates and taxes	2,00,000

Receipts	Rs.	Payment	Rs.
„ Sale of machinery	3,00,000	„ Income tax	6,00,000
„ Sale of investment	6,00,000	„ Dividend paid	1,60,000
		„ repayment of bank loan	8,00,000
		„ Purchase of plant	4,40,000
		„ Balance c/d	14,00,000
	60,00,000		60,00,000

22. What is break even-chart ? List out its assumptions.

23. You are given the following information:

Fixed cost = 15,000

Variable cost = 20,000

Total cost = 35,000

Net profit = 5,000

Net sales = 40,000

- Find out break-even point.
- Forecast the profit for sales volume Rs. 50,000.
- Estimate the volume of sales turnover to make a net profit of Rs. 10,000.

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

Part C

Answer any two questions.

Each question carries 10 marks.

24. What is financial statement analysis ? Explain its importance and limitations.

25. From the following, prepare balance sheet of ABC Ltd.

- Sales for the year-Rs.20,00,000
- G/P ratio-25 %
- Current ratio-1.5
- Acid test ratio-1.25

Turn over

- (e) Stock turnover ratio -15
- (f) Debtors' collection period-1.5 months
- (g) Turnover of fixed assets-1.5 months
- (h) Ratio of reserves to share capital-1/3
- (i) Fixed assets to net worth 5/6

Hint : Here, the term turn-over means cost of sales and the term stock refers to closing stock.

26. PQR company budgets for a production of 1,50,000 units. The variable cost per unit is Rs. 14 and fixed cost is Rs. 2 per unit. The company fixes its selling price to fetch a profit of 15% on cost.
- (a) What is the B.E.P. ?
 - (b) What is the P/V Ratio ?
 - (c) If it reduces its selling price by 5 % how does the revised selling price affect the B.E.P. and the P/V Ratio ?
 - (d) If a profit increase of 10 % is desired more than the budget, what should be the sale at the revised price ?
27. What do you mean by funds flow statement ? State its objectives. Explain its importance.

(2 × 10 = 20 marks)

D 110000–A

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**FIFTH SEMESTER (CBCSS—UG) DEGREE EXAMINATION
NOVEMBER 2024**

B.Com.

BCM 5B 07—ACCOUNTING FOR MANAGEMENT

(2019 Admission onwards)

(Multiple Choice Questions for SDE Candidates)

Time : 15 Minutes**Total No. of Questions : 20****Maximum : 20 Marks****INSTRUCTIONS TO THE CANDIDATE**

1. This Question Paper carries Multiple Choice Questions from 1 to 20.
2. The candidate should check that the question paper supplied to him/her contains all the 20 questions in serial order.
3. Each question is provided with choices (A), (B), (C) and (D) having one correct answer. Choose the correct answer and enter it in the main answer-book.
4. The MCQ question paper will be supplied after the completion of the descriptive examination.

BCM 5B 07—ACCOUNTING FOR MANAGEMENT

(Multiple Choice Questions for SDE Candidates)

1. The Branch of accounting concerned with collection, determining and controlling cost of products and services is called _____.
 - (A) Management Accounting.
 - (B) Financial accounting.
 - (C) Cost accounting.
 - (D) All of these.
2. The father of Double Entry system is _____.
 - (A) Luca Pacioli.
 - (B) Lopus patricia.
 - (C) Lukas Christian.
 - (D) None of these.
3. The term current assets does not include :
 - (A) Payment in advance.
 - (B) Bills Receivable.
 - (C) Long term deferred charges.
 - (D) None of these.
4. Assets and liabilities in a Balance sheet may be arranged in the order of _____.
 - (A) Liquidity.
 - (B) Permanence.
 - (C) Both of these.
 - (D) None of these.
5. Which among the following is a sources of fund ?
 - (A) Sale proceeds of fixed assets.
 - (B) Sale proceeds of long term investments.
 - (C) Non-operating incomes.
 - (D) All of these.
6. _____ is only internal source of funds.
 - (A) Fund from operations.
 - (B) Net profit.
 - (C) Both of these.
 - (D) None of these.

7. _____ refers to firms investment in current assets.
- (A) Working capital. (B) Gross working capital.
(C) Net working capital. (D) All of these.
8. Decrease in Working capital constitutes _____.
- (A) Source of fund. (B) Application of funds.
(C) Neither source nor application. (D) None of these.
9. Which of the following results in Increase of working capital ?
- (A) Increase in current assets. (B) Decrease in current assets.
(C) Increase in current liabilities. (D) All of these.
10. Cash flow statement is a statement which describes inflows and outflows of _____.
- (A) Cash. (B) Cash and cash equivalents.
(C) Working capital. (D) All of these.
11. Which among the following are examples of cash flow from operating activities ?
- (A) Cash receipts from sale of goods. (B) Cash receipts from royalties.
(C) Cash payments to suppliers. (D) All of these.
12. The essence of marginal costing is that _____ cost is considered on the whole as separate.
- (A) Fixed. (B) Variable.
(C) Both of these. (D) None of these.
13. _____ cost is defined as the aggregate of variable costs or prime costs plus variable overheads.
- (A) Variable cost. (B) Marginal cost.
(C) Fixed cost (D) None of these.
14. _____ cost remains constant per unit of output irrespective of the level of output and thus fluctuates directly in proportion to changes in the volume of output.
- (A) Variable costs. (B) Fixed costs.
(C) Marginal cost. (D) None of these.

Turn over

15. _____ is the practice of charging all costs, both variable and fixed, to operations, processes, or products.
- (A) marginal costing. (B) Absorption costing.
(C) Differential costing. (D) None of these.
16. The Profit/Volume ratio or marginal ratio expresses the relation of _____ to sales.
- (A) Profit. (B) Marginal cost.
(C) Contribution. (D) None of these.
17. Responsibility accounting is used for _____.
- (A) Cost control. (B) Planning.
(C) Decision making. (D) Pricing.
18. An investment centre is a responsibility centre where the manager has control of _____.
- (A) Costs and profits (B) Cost profits and product quality.
(C) Costs profits and assets. (D) Costs.
19. Management accounting is said to meet :
- (A) The internal accounting needs of the organization.
(B) The needs of laws that govern company financial reporting.
(C) The regulatory requirements of the organization.
(D) The external accounting needs of the organisation.
20. Indirect costs are also known as :
- (A) Direct cost. (B) Overhead costs.
(C) Prime costs. (D) Marginal costs.