

B.C.C.A. (CBCS Pattern) Semester - IV
UBCCAT402 - Management Accounting

P. Pages : 4

Time : Three Hours



GUG/S/23/12046

Max. Marks : 40

- Notes : 1. All questions are compulsory.
2. All questions carry equal marks.

1. a) State the objectives and significance of budgetary control. 4
- b) Draw up a flexible budget for overhead expenses on the basis of the following data and determine overheads rate at 70%, 80% and 90% Plant capacity. 4

At 80% Capacity

Variable Overhead

Indirect Labour	12000
Stores Including Spares	4000

Semi variable Overheads

Power (30% fixed, 70% variable)	20000
Repairs and Maintenances (60% fixed, 40% variable)	2000

Fixed Overhead

Depreciation	11000
Insurance	3000
Salaries	10000
Total Overhead	62000
Estimated direct labour hours	124000

OR

- c) The income and expending forecasts for months March to August 2022 are given as follows : 8

Months	Sale (Credit)	Purchase (Credit)	Manufacturing Wages Exp	Manufacturing Expenses	Office Expenses	Selling Expenses
March	60,000	36,000	9,000	3,500	2,000	5,000
April	62,000	38,000	8,000	3,750	1,500	5,000
May	64,000	33,000	10,000	4,000	2,500	4,500
June	58,000	35,000	8,500	3,750	2,000	3,500
July	56,000	39,000	9,500	5,000	1,000	3,500
August	60,000	34,000	8,000	5,200	1,500	4,500

You are given the following further information :

- 1) Plant costing Rs.16,000 is due for delivery in July payable 10% on delivery and the balance after 3 months.
- 2) Advance tax of Rs.8,000 is payable in March and June each.
- 3) Creditors allow 2 months credit and debtors are paying one month late. Opening balance of cash Rs.8,000, lag of one month of expenses.

Prepare a cash budget for the months May to July.

2. a) Calculate margin of safety 4
 When PVR = 50%
 Fixed cost = Rs.20,000
 Contribution = Rs.60,000
- b) From the following Find out Break – Even – Point 4
 When, Sales Rs.1,00,000
 Fixed cost Rs.20,000
 Profit Rs.30,000

OR

- c) From the following information, find out 8
- 1) P/V Ratio
 - 2) Break – Even – Point
 - 3) Profit on the sales of Rs.4,00,000
 - 4) Sales to earn a profit of Rs.3,00,000
 - 5) Margin of safety for 2003

	2002		2003
Sales	Rs.2,40,000	Sales	Rs.4,40,000
Net Loss	Rs.20,000	Net Profit	Rs.20,000

3. a) Stock turnover Ratio = 8 Times, Sales = Rs.2,00,000, Gross Profit = Rs.40,000, 4
 Opening Stock = Rs.16,000
 Calculate Closing Stock.
- b) Rishabh Ltd. was formed on 1st April 2022 for taking over the business of a partnership 4
 firm. The balance sheet as at 31st March 2023 shows the following position.

Liabilities	Rs.	Assets	Rs.
Equity Capital	1,00,000	Goodwill	10,00,000
Debenture	2,50,000	Fixed Assets	5,00,000
Deposits from Directors friends	1,50,000	Stock	50,00,000
Sundry Creditors	89,00,000	Debtors	25,00,000
		Cash	25,000
		Profit & Loss Account	3,75,000
	94,00,000		94,00,000

The sales for 2022-2023 was Rs.75,00,000

Calculate :

- 1) Current Ratio
- 2) Liquid Ratio
- 3) Debt collection period.

OR

c) Calculate :

- 1) Current Ratio
- 2) Liquid Ratio
- 3) Debt Equity Ratio
- 4) Stock to working ratio

Balance Sheet As at 31st March 2023

Liabilities	Rs.	Assets	Rs.
Equity Share Capital	2,00,000	Plant & Machinery	2,00,000
6% Preferences Share Capital	1,00,000	Land & Building	2,00,000
8% Debentures	1,00,000	Stock	1,50,000
Reserve and Surplus	1,00,000	Debtors	50,000
Long term loan	50,000	Cash and Bank	1,00,000
Creditors	1,00,000		
Bank Over Draft	50,000		
	7,00,000		7,00,000

4. a) From the following balance sheet as on 31st Dec. 2021 and 2022. You are required to prepare statement showing changes in working capital.

Particulars	2021 (Rs.)	2022 (Rs.)
Cash	30,000	47,000
Debtors	1,20,000	1,15,000
Stock in trade	80,000	90,000
Land	50,000	66,000
	2,80,000	3,18,000
Share Capital	2,00,000	2,50,000
Trade Creditors	70,000	45,000
Retain earning	10,000	23,000
	2,80,000	3,18,000

- b) Following were the Balance Sheet of Yatharth Company Ltd. for the year ended 2022 and 2023. Prepare schedule changes in working capital.

Assets	2022 (Rs.)	2023 (Rs.)
Cash	30,000	45,000
Account Receivable	50,000	42,000
Merchandise Inventory	20,000	33,000
Plant	1,00,000	1,50,000
	2,00,000	2,70,000
Liabilities & Proprietorship		
Account Payable	15,000	12,000
Bonds	20,000	60,000
Reserve for depreciation of plant	10,000	19,000
Common Stock	1,00,000	1,20,000
Surplus	55,000	59,000
	2,00,000	2,70,000

OR

- c) From the following balance sheet of Suprit Company. Prepare statement showing changes in working capital and statement of source and uses of fund. 8

Assets	2022 (Rs.)	2023 (Rs.)
Cash	35,000	75,000
Account Receivable	98,000	90,000
Merchandise Inventory	87,000	1,20,000
Long term Investment	15,000	10,000
Land	20,000	30,000
	2,55,000	3,25,000
Liabilities		
Account payable	50,000	45,000
Notes payable (short term)	20,000	35,000
Notes payable (due on 2004)		20,000
Capital Stock	1,25,000	1,50,000
Retain Earning	60,000	75,000
	2,55,000	3,25,000

5. Write short note :

- | | |
|-------------------------------------|---|
| a) Nature of Management Accounting. | 2 |
| b) Need of Break Even Analysis. | 2 |
| c) Limitation of Ratio Analysis. | 2 |
| d) Concept of fund flow. | 2 |
