

M.Com. II (CBCS / New CBCS PATTERN) Semester IV
PCC4C01 - Advanced Management Accounting

P. Pages : 6

Time : Three Hours



GUG/W/22/13698

Max. Marks : 80

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

1. a) Give Definitions of management account ? Explain the nature, advantages and limitations of management accounting. **16**

OR

- b) Information available as under : **16**

Year	Sale	Total Cost
2016	20,000	19,000
2017	18,000	17,600

Find out :

- Profit volume ratio
 - Break even point
 - Fixed cost for both the year
 - Variable cost for both the year
 - Profit on sale of Rs.25,000
 - If profit volume ratio of the company is the 60% and variable cost per unit Rs.20 then what will be the amount of selling price.
2. a) i) Given below are the financial statements of Tejas Company **16**

Balance Sheet as on 31st March 2018

Liabilities	Rs.	Assets	Rs.
Share Capital	26,000	Fixed Assets	3,58,000
7% preference share 2600 share of Rs. 10 each		Cash	43,000
		Investment (Short term)	39,000
Equity shares : 1800 shares of Rs.100 each	1,80,000	Debtors	52,000
		Inventories	78,000
Reserve Fund	1,04,000		
Long Term Loans	1,82,000		
Creditors	41,600		
Other Current Liabilities	2,600		
Provision for tax	33,800		
	5,70,000		5,70,000

ii) Profit and Loss A/c for the year ended 31st March 2018.

Particular	Amount
Net Sale	3,99,000
(Less) Cost of Good Sold	<u>3,45,400</u>
Gross Profit	<u>53,600</u>
(Less) Administration Expenses	<u>22,750</u>
Operating Profit	<u>30,850</u>
(Less) Interest	<u>5,850</u>
Profit before tax	<u>25,000</u>
(Less) Tax	<u>10,850</u>
Net Profit after tax	<u>14,150</u>

Calculate the following ratio :

- | | |
|--|------------------------|
| i) Gross Profit ratio | ii) Net profit ratio |
| iii) Operating ratio | iv) Current ratio |
| v) Liquid ratio | vi) Debt. Equity ratio |
| vii) E.P.S. (Earning per Equity Share) | |

OR

b) Following are the Balance Sheet of 'A' and 'B' Companies :

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Particulars	Company 'A' Rs.	Company 'B' Rs.
<u>Liabilities</u>		
Sundry Creditors	36,000	58,000
Bank Overdraft	11,250	14,800
Provision for tax	20,000	15,000
Provision for Depreciation	20,000	50,000
Capital	2,00,000	3,50,000
Reserve	50,000	60,000
Profit & Loss Account	12,750	1,02,200
	<u>3,50,000</u>	<u>6,50,000</u>
<u>Assets</u>		
Book Debts	85,000	1,75,000
Stock	66,000	93,000
Machinery	49,000	92,000
Building	1,20,000	2,40,000
Goodwill	30,000	50,000
	<u>3,50,000</u>	<u>6,50,000</u>
Sale	8,40,000	10,50,000
Net Profit	1,26,000	1,05,000
Average Stock	63,000	1,00,000
Gross Profit	2,10,000	2,50,000

Calculate the following ratio in respect of each company –

- Stock turnover ratio
- Gross profit ratio
- Current ratio
- Liquid ratio
- Operating ratio

3. a) Prepare cash budget for 6 months commencing from next year.

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Month	Total Sale Rs.	Materials Rs.	Wages Rs.	Production Overhead Rs.	Selling Distribution Expenses Rs.
January	20,000	20,000	4,000	3,200	800
February	22,000	14,000	4,400	3,300	900
March	24,000	14,000	4,600	3,300	800
April	26,000	12,000	4,600	3,400	900
May	28,000	12,000	4,800	3,500	900
June	30,000	16,000	4,800	3,600	1,000

- Cash balance on 1st January was Rs.10,000
- A new machines is to be installed at Rs.30,000 on credit to be paid in two equal installment payable in March and April.
- Sale Commission 5% on total sale payable in the next month
- Rs.10,000 being 2nd call on share, receivable in March along with premium Rs.2,000
- Supplier period 2 month customer period 1 month
- Overhead 1 month
- Wages ½ month cash sale 50% of total sale.

OR

- b) The following data is available from the books of Trupti Manufacturing Company for the year ended on 31st December 2018.

16

Particulars	Total	
	Rs. (Lakhs)	Rs. (Lakhs)
Fixed Expenses :		
Wages and Salaries	8.60	
Rent, Rates and Taxes	5.80	
Depreciation	7.00	
Sundry Administration	<u>9.20</u>	
		30.60 (Lakhs)
Semi-variable expenses : (at 50% capacity)		
Repairs and Maintenances	2.80	
Indirect Labour	9.60	
Sales Department Salaries	2.90	
Sundry Administration	<u>3.20</u>	
		18.50 (Lakhs)
Variable Expenses : (at 50% capacity)		
Material	26.00	
Labour	25.70	
Sundry Expenses	4.20	
		55.90 (Lakhs)

Assuming that fixed expenses remain constant at all level of production variable expenses varies proportionately and semi variable expenses remain constant between 45% and 65% capacity increase by 10% between 65% and 80% capacity and increase by 20% between 80% and 100% capacity. Sales at various levels are :

Capacity	Rs. (Lakhs)
60%	105
70%	130
90%	165
100%	180

Prepare flexible budget showing the cost of production a 60%, 70%, 90% and 100% capacity.

4. a) Following are the balance sheet are limited as on 31st Dec. 2017 and 31st December 2018.

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Particulars	2017 Rs.	2018 Rs.
Assets Fixed	2,55,000	3,10,000
Investment	20,000	47,000
Current Assets	1,15,000	1,80,000
Discount on issue of Deb.	15,000	13,000
	<u>4,05,000</u>	<u>5,50,000</u>
Liabilities :		
Ordinary Share Capital	1,60,000	1,85,000
Pref. Share Capital	90,000	40,000
Debentures	49,500	1,00,000
Reserve for doubtful debt.	1,000	17,500
Current Liabilities	49,500	72,500
Profit & Loss Account	55,000	1,35,000
	<u>4,05,000</u>	<u>5,50,000</u>

Additional :

- Dividend at 12% paid for the 2017 on ordinary share capital.
- Depreciation charge on fixed assets Rs.25,000
- A furniture having book value 21,000 was sold for Rs.12,000
- Pref. share were redeemed at a premium of 5%

You are required to prepare a schedule of charges in working capital and fund flow statement.

OR

- b) The following are the summarised balance sheets of South Computers Ltd. as on 31st December 2017 and 31st December 2018.

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Liabilities	Amount 2017	Amount 2018	Assets	Amount 2017	Amount 2018
Share Capital	2,00,000	2,50,000	Land & Building	2,00,000	1,90,000
General Reserve	50,000	60,000	Machinery	1,50,000	1,69,000
P & L A/c	30,500	30,600	Stock	1,00,000	74,000
Bank Loan	70,000	-	Sundry Debtors	80,000	64,200
Sundry Creditors	1,50,000	1,35,200	Cash	500	600
Provision for Taxation	30,000	35,000	Bank	-	8,000
			Goodwill	-	5,000
	<u>5,30,500</u>	<u>5,10,800</u>		<u>5,30,500</u>	<u>5,10,800</u>

The following additional information for the year 2018 is also available :

- Dividend of Rs.23,000 was paid.
- The following assets of another company were purchased for a consideration of Rs.50,000 paid in shares, (a) Stock Rs.20,000 and (b) Machinery 25,000
- Machinery was further purchased for Rs.8,000
- Depreciation written off machinery Rs.12,000.
- Income tax provided during the year Rs.33,000
- Loss on sale of machinery Rs.200 was written off to general reserve.
- Prepare cash flow statement.

5. Write short note :

- Explain the importance of management accounting ?
- State the analysis of financial statement.
- Advantages of Budgetary controls.
- Give the characteristics of management information system.

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- सुचना :- 1. सर्व प्रश्न अनिवार्य आहेत.
2. सर्व प्रश्नांना समान गुण आहेत.

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|----|----|---|----|
| 1. | अ) | व्यवस्थापकीय लेखांकनाची परिभाषा द्या ? व्यवस्थापकीय लेखांकनाचे स्वरूप फायदे व मर्यादा स्पष्ट करा. | 16 |
| | | किंवा | |
| | ब) | इंग्रजी माध्यमानुसार. | 16 |
| 2. | अ) | इंग्रजी माध्यमानुसार. | 16 |
| | | किंवा | |
| | ब) | इंग्रजी माध्यमानुसार. | 16 |
| 3. | अ) | इंग्रजी माध्यमानुसार. | 16 |
| | | किंवा | |
| | ब) | इंग्रजी माध्यमानुसार. | 16 |
| 4. | अ) | इंग्रजी माध्यमानुसार. | 16 |
| | | किंवा | |
| | ब) | इंग्रजी माध्यमानुसार. | 16 |
| 5. | | थोडक्यात उत्तरे लिहा. | |
| | अ) | प्रबंधकिय लेखांकनाचे महत्व स्पष्ट करा. | 4 |
| | ब) | वित्तीय विवरणाचे विश्लेषण विशद करा. | 4 |
| | क) | अंदाजपत्रकिय नियंत्रणाचे फायदे. | 4 |
| | ड) | व्यवस्थापकीय माहिती पद्धतीची वैशिष्टे द्या. | 4 |

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सुचनाएँ :- 1. सभी प्रश्न अनिवार्य हैं।
2. सभी प्रश्नों के अंक समान हैं।

- | | | | |
|----|----|--|----|
| 1. | अ) | प्रबंधकिय लेखांकन की व्याख्या दीजिए। प्रबंधकिय लेखांकन के स्वरूप लाभ एवं दोष स्पष्ट किजिए। | 16 |
| | | अथवा | |
| | ब) | अंग्रेजी माध्यम के अनुसार। | 16 |
| 2. | अ) | अंग्रेजी माध्यम के अनुसार। | 16 |
| | | अथवा | |
| | ब) | अंग्रेजी माध्यम के अनुसार। | 16 |
| 3. | अ) | अंग्रेजी माध्यम के अनुसार। | 16 |
| | | अथवा | |
| | ब) | अंग्रेजी माध्यम के अनुसार। | 16 |
| 4. | अ) | अंग्रेजी माध्यम के अनुसार। | 16 |
| | | अथवा | |
| | ब) | अंग्रेजी माध्यम के अनुसार। | 16 |
| 5. | | संक्षिप्त में उत्तर लिखिए । | |
| | अ) | प्रबंधकिय लेखांकन के महत्व स्पष्ट किजिए । | 4 |
| | ब) | वित्तीय विवरण के विश्लेषण विशद किजिए । | 4 |
| | क) | अंदाजपत्रकिय नियंत्रण के लाभ । | 4 |
| | ड) | प्रबंधकीय माहिती पद्धती के लक्षण दीजिए । | 4 |
