(i) Printed Pages: 4 Roll No. .....

(ii) Questions : 14 Sub. Code : 0 8 3 0

Exam. Code: 0 0 1 5

# Bachelor of Commerce 5th Semester

(1129)

### MANAGEMENT ACCOUNTING

# Paper—BCM-502

Time Allowed: Three Hours [Maximum Marks: 80

Note:— Attempt any four short questions from Unit-I. Each question carries 5 marks. Attempt any two long answer type questions each from Unit-II and Unit-III. Each question carries 15 marks.

#### UNIT-I

- 1. What do you mean by Common Size Statements?
- 2. Write a short note on scope of Management Accounting.
- 3. A firm's current ratio is 2.5:1. Its net working capital is Rs. 3,75,000 and its stock is valued at Rs. 1,75,000. Calculate Quick Ratio.
- 4. What do you mean by Responsibility Centre?
- Discuss the importance of Cash Flow Statement to the Finance Manager.
- 6. Define Replacement Cost Approach of HRA.  $4\times5=20$

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# UNIT—II

- 7. "Management Accounting can be viewed as Management Oriented Accounting." Comment.
- 8. What do you understand by Financial Statements? Discuss the nature and limitations of Financial Statements.
- 9. From the following figures extracted from the P & L A/c of XYZ Co. Ltd., prepare Comparative Income Statement:

	Year ended	Year ended
	31.3.2018	31.3.2019
	(in Rs.)	(in Rs.)
Sales	60,30,000	78,95,000
Sales Returns	30,000	95,000
Opening Stock	15,00,000	21,00,000
Closing Stock	21,00,000	24,00,000
Purchases	42,18,000	58,34,000
Purchase Returns	18,000	34,000
Office Expenses	2,50,000	3,15,000
Selling Expenses	3,00,000	2,85,000
General Expenses	1,00,000	80,000
Income from Investments	1,20,000	Nil
Profit on Sale of Fixed Assets	Nil	50,000
Loss on Sale of Fixed Assets	2,000	Nil

Provision for taxation is to be made at 40% of net income.

10. Given below is the information for ABC Company Ltd. At the end of March 2019, determine the balances for Income Statement and Balance Sheet:

Net Sales	1,00,000
Debtor Turnover Ratio based on Sales	2
Inventory Turnover Ratio	1.25
Fixed Assets Turnover Ratio (Sales/Fixed/Assets)	0.8
Debts/Assets Ratio	0.6
Net Profit Margin (After Tax)	5%
Gross Profit Margin	25%
Return on the Assets	2%
Short term Debts	30,000
Rate of Tax on Profits	50%

 $2 \times 15 = 30$ 

#### UNIT—III

- 11. Define Price Level Accounting. Discuss the relevance of adopting price level accounting.
- 12. What is Human Resource Accounting? What is the status of Human Resource Accounting in India?
- 13. Define Social Accounting. Explain need, importance and approaches to Social Accounting.

14. Following are the summarized Balance Sheets of X Ltd. as on 31st March, 2018 and 2019:

Liabilities	2018	2019
Share Capital	1,00,000	1,30,000
General Reserve	25,000	30,000
Profit & Loss A/c	15,200	15,400
Bank Loan (Long Term)	35,000	_
Sundry Creditors	75,000	67,500
Provision for Tax	15,000	17,500
Total	2,65,200	2,60,400

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Assets	2018	2019
Land & Building	1,00,000	95,000
Machinery	75,000	84,500
Stock	50,000	37,000
Sundry Debtors	40,000	32,100
Cash	200	300
Bank	_	4,000
Goodwill	_	7,500
Total	2,65,200	2,60,400

## Other Information:

- (a) Dividend of Rs. 11,500 was paid.
- (b) Assets of another company were purchased for consideration of Rs. 30,000 payable in shares. The following assets were purchased: Stock — Rs. 10,000; Machinery — Rs. 12,500.
- (c) Machinery was further purchased for Rs. 4,000.
- (d) Depreciation written off machinery Rs. 6,000.
- (e) Income Tax provided during the year Rs. 16,500.
- (f) Loss on sale of machinery Rs. 100 was written off to General Reserve.

You are required to prepare a Fund Flow Statement.

 $2 \times 15 = 30$ 

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