

QP CODE: D2BAF2402	(Pages: 2)	Reg. No	:
		Name	:
SECOND SEMESTER FYUGP EXAMINATION, APRIL 2025				
MINOR COURSE				
AFA2MN111 : FUNDAMENTALS OF MANAGEMENT ACCOUNTING				
(Credits: 4)				
Time: 2 Hours		Maximum Marks: 70		
Section A				
Answer the following questions. Each carries 3 marks (Ceiling: 24 marks)				
1.	Define management accounting.	BL1	CO1, CO2, CO3, CO4	
2.	What is vertical analysis?	BL1	CO1, CO2, CO3, CO4	
3.	What is the difference between comparative statement and trend analysis?	BL1	CO1, CO2, CO3, CO4	
4.	What are the important turnover ratios?	BL1	CO1, CO2, CO3, CO4	
5.	What do you mean by leverage analysis?	BL1	CO1, CO2, CO3, CO4	
6.	How to analyse credit paying capacity of a business using ratios?	BL1	CO1, CO2, CO3, CO4	
7.	How to calculate cash flow from operating activity?	BL1	CO1, CO2, CO3, CO4	
8.	What is contribution?	BL1	CO1, CO2, CO3, CO4	
9.	State any two areas or situations where BEP can be applied.	BL1	CO1, CO2, CO3, CO4	
10.	Calculate contribution a) When selling price Rs 100 and variable cost Rs 55 b) When fixed cost Rs 450 and profit Rs 250	BL1	CO1, CO2, CO3, CO4	
Section B				
Answer the following questions. Each carries 6 marks (Ceiling: 36 Marks)				
11.	How are the different financial statements connected to each other?	BL2	CO1, CO2, CO3, CO4	
12.	What do you mean by ratios? Discuss its advantages and disadvantages.	BL2	CO1, CO2, CO3, CO4	
13.	Explain the areas where marginal costing can be applied with suitable examples.	BL2	CO1, CO2, CO3, CO4	
14.	Calculate cash from operations from the following: (i) profit made during the year ₹ 250000 after considering the following items: (a) depreciation on fixed assets ₹ 10000 (b) amortization of goodwill ₹ 5000 (c) trtransfer to general reserve ₹ 7000 (d) profit on sale of land ₹ 3000 (ii) The following is the position of current assets and current liabilities: Debtors: 2020- ₹ 15000 2021- ₹ 12000 Creditors: 2020- ₹ 10000 2021- ₹ 15000	BL2	CO1, CO2, CO3, CO4	
(PTO)				

15.	Explain the differences between cash flow and fund flow analysis.	BL2	CO1, CO2, CO3, CO4																																
16.	Calculate fund from operations. <div style="text-align: center;">Profit and Loss A/c</div> <table border="1"> <tr> <td>To depreciation</td><td>1,000</td><td></td><td></td></tr> <tr> <td>Discount</td><td>100</td><td></td><td></td></tr> <tr> <td>Loss on sale of machine</td><td>400</td><td>By gross profit</td><td>9,000</td></tr> <tr> <td>Goodwill written off</td><td>2,350</td><td>Profit on sale of plant</td><td>3,500</td></tr> <tr> <td>Preliminary expenses written off</td><td>500</td><td></td><td></td></tr> <tr> <td>Sundry expenses</td><td>2,500</td><td></td><td></td></tr> <tr> <td>Net profit</td><td>5,650</td><td></td><td></td></tr> <tr> <td></td><td>12,500</td><td></td><td>12,500</td></tr> </table>	To depreciation	1,000			Discount	100			Loss on sale of machine	400	By gross profit	9,000	Goodwill written off	2,350	Profit on sale of plant	3,500	Preliminary expenses written off	500			Sundry expenses	2,500			Net profit	5,650				12,500		12,500	BL2	CO1, CO2, CO3, CO4
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17.	A machine shop in a factory is working to its full capacity and earning a contribution of ₹ 50 per hour. The management receives a high priority order which it wants to execute immediately. Material will be supplied by the customer and the special order will take a minimum of 10 hours. Wages payable will be ₹15 per hour and variable overhead will be 150% of wages. If the customer is prepared to pay ₹ 800 for the order, should the order be accepted?	BL2	CO1, CO2, CO3, CO4																																
18.	From the following information, prepare an income statement under marginal costing: <table border="1"> <tr> <th></th><th>Product X</th><th>Product Y</th><th>Product Z</th></tr> <tr> <td>Direct materials</td><td>7,500</td><td>30,000</td><td>3,000</td></tr> <tr> <td>Direct wages</td><td>9,000</td><td>9,000</td><td>1,500</td></tr> <tr> <td>Factory overhead-Fixed</td><td>3,000</td><td>1,500</td><td>1,500</td></tr> <tr> <td>- variable</td><td>3,900</td><td>9,000</td><td>4,500</td></tr> <tr> <td>Selling overhead- Fixed</td><td>1,500</td><td>900</td><td>600</td></tr> <tr> <td>- Variable</td><td>2,100</td><td>6,000</td><td>3,000</td></tr> <tr> <td>Sales</td><td>32,000</td><td>61,000</td><td>16,000</td></tr> </table>		Product X	Product Y	Product Z	Direct materials	7,500	30,000	3,000	Direct wages	9,000	9,000	1,500	Factory overhead-Fixed	3,000	1,500	1,500	- variable	3,900	9,000	4,500	Selling overhead- Fixed	1,500	900	600	- Variable	2,100	6,000	3,000	Sales	32,000	61,000	16,000	BL2	CO1, CO2, CO3, CO4
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Section C

Answer any one question. Each carries 10 marks (1 x 10 = 10 Marks)

19.	Explain the key differences between financial accounting and management accounting.	BL2	CO1, CO2, CO3, CO4
20.	What do you mean by fund flow statement? Explain various factors affecting fund flow statement.	BL2	CO1, CO2, CO3, CO4

CO : Course Outcome

BL : Bloom's Taxonomy Levels (1 – Remember, 2 – Understand, 3 – Apply, 4 – Analyse, 5 – Evaluate, 6 – Create)