

FIFTH SEMESTER B.Com DEGREE EXAMINATION, NOVEMBER 2022**(Regular/Improvement/Supplementary)****FINANCE & COMPUTER APPLICATION****GBCM5B07T: ACCOUNTING FOR MANAGEMENT****Time: 2 ½ Hours****Maximum Marks: 80****SECTION A: Answer the following questions. Each carries two marks.****(Ceiling 25 Marks)**

1. Define Management Accounting.
2. What is vertical analysis?
3. Define Accounting ratio.
4. What is a statement of changes in working capital?
5. Define marginal costing.
6. What is BEP?
7. Give two examples of cash flow from investing activities.
8. Current ratio-1.75, Liquid ratio 1.25, value of stock Rs. 25000, Calculate Current assets.
9. Define Common size Statement.
10. List out the limitation of Management Accounting.
11. What is P/V ratio?
12. List out the uses of fund flow statement.
13. What is combined leverage?
14. Who is management Accountant?
15. Sales Rs. 14,00,000. Variable cost Rs. 9,00,000, Profit Rs. 2,50,000
Calculate fixed cost.

SECTION B: Answer the following questions. Each carries five marks.**(Ceiling 35 Marks)**

16. Prepare a common size income statement from the following information.

Sales	Rs. 8,00,000
Cost of Sales	5,40,000
Commission paid	30,000
Salaries and wages	90,000
Interest received	40,000
Interest paid	30,000
Net Profit	1,50,000

17. Net sales Rs. 3,00,000, Gross profit 20% on sales. Opening stock Rs. 35,000, Closing stock 45,000.
Calculate stock turnover ratio.
18. Distinguish between Balance sheet and fund flow statement.
19. What are the advantages of Break-even analysis?

(PTO)

20. Calculate breakeven point in units and value, Selling price per unit Rs. 22, Variable cost per unit Rs. 10, Fixed cost Rs. 2,40,000.
21. Calculate creditors turn over and average payment from the following data.
Opening creditors Rs. 1, 20,000, Closing creditors Rs. 90,000, Opening bills payable Rs. 30,000
Closing bills payable Rs. 40,000. Total purchases Rs. 10,00,000. Return outwards Rs. 20,000/-
Cash purchases Rs. 1, 40,000. Take 360 days in a year.
22. Describe the step involved in preparation of cash flow statement.
23. What is BEP chart? How is it constructed.

SECTION C: Answer any two questions. Each carries ten marks.

24. From the following given ratios, prepare balance sheet of XYZ Ltd.
a) Working capital Rs. 70,000. b) Reserve and surplus Rs. 50,000 c) Bank overdraft 10,000
d) Fixed assets/Proprietors fund - 0.65 e) Current ratio 2.75 f) Liquid ratio 1.25
g) There are no long term debt and miscellaneous expenses.
25. Following are the balance Sheets of PRT Ltd. for the years 2020 and 2021.
Prepare schedule showing changes in working capital and fund flow statement during the year 2021.

Liabilities	2020	2021	Assets	2020	2021
Share Capital	2,00,000	2,50,000	Land	10,000	20,000
Debenture	50,000	Plant	2,60,000	2,80,000
P&L account	48,000	68,000	Stock	82,000	1,06,000
Reserve for Doubtful debt	7,000	8,000	Debtors	68,000	44,000
Trade creditors	1,30,000	1,50,000	Cash	15,000	26,000
	4,35,000	4,76,000		4,35,000	4,76,000

Additional information:

- (a) During the year plant was purchased for Rs. 20,000.
(b) Dividend was paid in cash Rs. 25,000.
26. What are the important ratios used to analyse the profitability of a company? Explain.
27. Explain the importance of CVP analysis. What are its assumptions?

(2 × 10 = 20 Marks)