

Seat No.	
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B.C.A. (Faculty of Commerce) (Part - III) (Semester - V)
(Revised) Examination, April - 2017

MANAGEMENT ACCOUNTING

Sub. Code : 66415

Day and Date : Saturday, 22 - 04 - 2017

Total Marks : 80

Time : 11.00 a.m. to 2.00 p.m.

- Instructions :**
- 1) All questions carry equal marks.
 - 2) Attempt any five questions.

Q1) What do you mean by budget and budgetary control? Explain in detail advantages and disadvantages of budgetary control. **[16]**

Q2) Explain meaning of Management Accounting along with various tools and techniques. **[16]**

Q3) From the following information calculate: **[16]**

- a) Current Ratio.
- b) Quick Ratio.
- c) Debtor's Turnover Ratio and velocity.
- d) Creditor's Turnover Ratio and velocity.
- e) Inventory Turnover Ratio.

Balance Sheet of Yasin Shah as on 31st March 2010

Liabilities	Amount	Asset	Amount
Equity Share capital	4,00,000	Land and building	3,00,000
General reserve	50,000	Plant and machinery	50,000
Profit and loss account	25,000	Debtors	80,000
80% debentures	20,000	Bills receivable	90,000
Long term loan	50,000	Closing stock	90,000
Sundry creditors	70,000	Bank	20,000
Bills payable	60,000	Cash in hand	45,000
Total	6,75,000	Total	6,75,000

P.T.O.

Additional Information:

- i) Opening stock: Rs. 80,000.
- ii) Credit purchases: Rs. 8,00,000.
- iii) Credit sales: Rs. 2,40,000 Cash sales: Rs. 4,00,000.

Q4) Progressive Enterprises provides you following information:

[16]

Material per unit	Rs.50
Labour per unit	Rs.80
Variable cost per unit	Rs.70
Fixed cost per annum	Rs.2,40,000
Selling price per unit	Rs.400

Calculate:

- a) Break Even Point in Sales and in units.
- b) What would be the sales in order to earn profit of Rs.1,20,000.
- c) What would be the margin of safety if the actual sales are Rs.14,00,000.
- d) If the selling price is reduced by Rs.20 what would be new Break-Even Point in sales and units.

Q5) From the following information prepare Cash- Budget for three months ending March 2015.

[16]

Month	Sales	Purchases	Wages	Overheads
November	50000	28000	3400	5000
December	75000	32000	4000	8000
January	80000	38000	4500	9000
February	60000	30000	3200	5000
March	87000	40000	4000	7000

Additional Information:

- a) The credit allowed to the debtors is 2 months.
- b) One month credit is allowed by suppliers of materials.
- c) Wages are paid on a time lag of half month.
- d) Overheads are paid in the month in which they are due.
- e) Expected cash and bank balance on 1st January 2015 is Rs.16,000.

Q6) What do you mean by ratio analysis? Explain solvency ratio in detail. [16]

Q7) Explain in detail CVP and BEP analysis. What different information can be derived with the help of this analysis? [16]

Q8) Short notes (Any four): [16]

- a) Production Budget.
- b) Liquidity ratio.
- c) Profitability ratio.
- d) Turnover ratio.
- e) Difference between management and financial accounting.
- f) Master Budget.

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