

Seat No.	
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B.C.A. (Part - III) (Semester - V) Examination, October - 2017
Management Accounting
Sub. Code : 66415

Day and Date : Friday, 27 - 10 - 2017

Total Marks : 80

Time : 10.30 a.m. to 01.30 p.m.

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

Q1) From the following data calculate : **[16]**

- P/V ratio
- Break-Even-Sales and Break-Even Point
- Sales required to earn profit of Rs. 45000
- Expected profit if the sales level is Rs. 500000

Fixed cost	Rs. 90000 p.a.
Variable cost per unit	
Direct material	Rs. 5
Direct labour	Rs. 2
Direct overheads	Rs. 2
Selling price per unit	Rs. 12

Q2) What do you mean by ratio analysis? Explain solvency ratio in detail. **[16]**

Q3) From the following figures prepare cash budget for three months ending June 2017

Months	Credit Sales	Materials	Wages	Overheads
January	30000	20000	5500	3100
February	28000	28000	9000	3300
March	32000	25000	6000	3400
April	40000	27000	6200	3100
May	42000	31000	6300	4200
June	38000	25000	7000	400

Additional information :

1. Estimated cash balance on 1st April 2017 10000
2. Payment of suppliers of material is done in the month following the month of supply.
3. Overheads are paid with a time lag of one month
4. Wages are paid in the same month
5. Half of the sales are received in the month that follows sales and the remaining half after two months
6. Dividend of Rs. 5000 will be received in the month of May

[16]

Q4) What do you mean by budget and budgetary control? Explain in detail advantages and disadvantages of budgetary control. [16]

Q5) From the following final account of Alman Enterprises for the year ended 31st March 2010, you are required to calculate the following : [16]

1. Current Ratio
2. Quick ratio
3. Debt/Equity ratio
4. Stock turnover
5. Debtors turnover ratio
6. Net profit to capital employed ratio
7. Operating cost ratio

Balance Sheet as on 31-3-2010

Liabilities	Amount	Asset	Amount
Equity Share Capital	500000	Land and Building	275000
Preference share capital	300000	Plant & Machinery	475000
General reserve	55000	Long term investment	100000
Profit & Loss a/c	45000	Stock	250000
11% debenture	100000	Sundry debtors	60000
Bank overdraft	75000	Cash	30000
Other current liabilities	125000	Bank balance	10000
	1200000		1200000

Profit and loss A/c for the year ending 31-3-2010

Debit	Amount	Credit	Amount
Opening Stock	200000	Sales	1420000
Purchases	900000	Closing Stock	210000
Gross Profit	530000		
	1630000		1630000
Administrative exp.	205000	Gross Profit	530000
Selling & distribution	100000	Other Income	20000
Financial expenses	125000		
Net Profit	120000		
Total	550000		550000

Q6) Explain in detail CVP and BEP analysis. What different information can be derived with the help of this analysis? **[16]**

Q7) Explain the meaning and nature of Management Accounting. Also state the role of management accountant in Planning, Controlling and decision making process. **[16]**

Q8) Write short notes (Any Four) : **[16]**

- a) Types of budget
- b) Difference between management and financial accounting
- c) Current ratio
- d) Make or buy decision
- e) Profitability ratio
- f) Turnover ratio

