

Seat No.	287580
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**B.C.A. (Part - III) (Semester - V) Examination, October - 2015**  
**MANAGEMENT ACCOUNTING (Paper - 501) (New)**  
**Sub. Code : 66415**

Day and Date : Friday, 30 - 10 - 2015

Total Marks : 80

Time : 3.00 p.m. to 6.00 p.m.

- Instructions : 1) Attempt any Five questions.  
 2) All questions carry 16 marks.  
 3) Figures to the right indicate full marks.

**Q1)** Define management accounting and explain nature of management accounting. [16]

**Q2)** Define Ratio. Explain advantages of Ratio Analysis. [16]

**Q3)** A company producing a single article sales it at Rs. 10 each. The variable cost of production is Rs. 6, Fixed cost is Rs. 400 p.a. - [16]

Calculate :

- Contribution
- P.V. Ratio
- B.E. Sales
- Sales to earn a profit of Rs. 500
- Profit at Sales of Rs. 3,000

**Q4)** The following financial statement is of Arun Ltd. as on 31-3-2015 : [16]

Liabilities	Amount	Assets	Amount
Paid up capital	15,00,000	Fixed Assets	16,50,000
Reserve and surplus	6,00,000	Stock	9,10,000
Debentures- Long term	5,00,000	Debtors	12,40,000
Bank Over Draft	2,00,000	Investment-Short Term	1,60,000
Sundry Creditors	12,00,000	Cash	40,000
	40,00,000		40,00,000

Annual Sales Rs. 74,40,000, Gross profit Rs. 7,44,000

Calculate :

- Current Ratio.
- Debt Equity Ratio.
- Proprietary Ratio.
- G.P. Ratio.
- Debtors Turnover Ratio.
- Stock Turnover Ratio.

**Q5)** Prepare Cash Budget for January to June 2015 from the following particulars. [16]

Months	Total Sales Rs.	Material Rs.	Wages Rs.	Production Overhead Rs.	Selling and Distribution overhead Rs.
January	20,000	20,000	4,000	3,200	800
February	22,000	14,000	4,400	3,300	900
March	24,000	14,000	4,600	3,300	800
April	26,000	12,000	4,600	3,400	900
May	28,000	12,000	4,800	3,500	900
June	30,000	16,000	4,800	3,600	1,000

Other information :

- Cash balance of 1<sup>st</sup> January 2015 was Rs. 10,000.
- A new machine is to be installed at Rs. 30,000 on credit to be paid by two equal installments in March and April.
- Sales Commission at a rate of 5% is to be paid within the month following actual sales.
- Rs. 10,000 being the amount of second call money may be received in March. Share Premium amounting to Rs. 2,000 is also obtainable with second call.
- Period of credit allowed to customer 1 month.
- Period of credit allowed by suppliers was 2 months.
- Delay in payments of overheads 1 month and in payment of wages  $\frac{1}{2}$  month.
- Assume cash sales to be 50% of total sales.

Q6) Explain the objectives of budgetary control.

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[16]

Q7) Explain the techniques of Financial Statement Analysis.

[16]

Q8) Write short notes on (Any Four) :

[16]

- a) Production budget.
- b) Make or Buy decision.
- c) Profitability Ratio.
- d) Meaning of Budget.
- e) Current Ratio.
- f) Fixed cost and Variable cost.

