

Register Number

**ST. JOSEPH’S COLLEGE (AUTONOMOUS), BANGALORE-27**

**B.COM/BPS- VI SEMESTER**

**END SEMESTER EXAMINATION: APRIL 2024**

**(Examination Conducted in May/June 2024)**

**BC 6123/BPS 6123- MANAGEMENT ACCOUNTING AND ANALYSIS**

**(For current batch students only)**

**Time- 2 Hrs Max Marks-60**

**This paper contains ­­­\_3\_\_\_ printed pages and four parts**

**SECTION-A**

**Answer any FIVE of the following questions. (5x3=15 marks)**

|  |  |
| --- | --- |
|  | 1. Define management accounting. State any two features of management accounting. |
|  | 1. Give the meaning of ratio analysis. What is the ideal current ratio as per the industry standard? |
|  | 1. If Inventory Turnover Ratio is 5 times and average stock at cost is Rs. 85000, find out cost of goods sold. |
|  | 1. Give the meaning of common size statements and comparative statements. |
|  | 1. Income tax paid is Rs 25,000, Provision for tax on 31/3/2021- Rs 40,000 and 31/2/2022- Rs 50,000. Find P/L alc. |
|  | 1. Define management reporting. Mention any two requisites of good reporting system. |

**SECTION- B**

**Answer any TWO of the following questions. (2x5=10 marks)**

1. Differentiate between Financial accounting and Management accounting

1. The following information of a company is given:

Current Ratio 2.5:1: Acid-test ratio 1.5:1 Current liabilities Rs.50000Findout:

* 1. CurrentAssets
  2. LiquidAssets
  3. Inventory

9. From the following information compute trend ratios use 2020 as the base year.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Particulars** | **2020** | **2021** | **2022** | **2023** |
| Net Sales | 200 | 190 | 240 | 260 |
| COGS | 120 | 117.5 | 139.2 | 145.6 |
| Gross Profit | 80 | 72.2 | 100.8 | 114.4 |
| Operating expenses | 20 | 19.4 | 22 | 24 |
| Net operating profit | 60 | 52.8 | 78.8 | 90.4 |

**SECTION –C**

**Answer any TWO of the following questions. (2x10=20 marks)**

|  |  |
| --- | --- |
|  | 10. From the following, prepare a cash budget for 3 months ending in June. |
|  | |  |  |  |  |  | | --- | --- | --- | --- | --- | | **Months** | **Sales** | **Materials** | **Wages** | **Overheads** | | February | 70,000 | 40,000 | 8,000 | 6,000 | | March | 80,000 | 50,000 | 8,000 | 7,000 | | April | 92,000 | 52,000 | 8,000 | 7,000 | | May | 1,00,000 | 60,000 | 10,000 | 8,000 | | June | 1,20,000 | 55,000 | 12,000 | 9,000 |  **Additional Information**Opening balance of cash on 1st April is Rs.25, 000Out of the total sales, 25% is cash sales whereas the remaining 75% is credit salesCredit allowed to the customers is 1 monthDelay in payment of wages is 1 monthDelay in payment of expenses is 1 monthIncome tax paid in June is Rs.25,000Period of credit allowed by suppliers is 2 months 11. From the following balance sheets and additional information of Jolly Ltd. Prepare cash flow statement.     |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | **Liabilities** | **2021** | **2020** | **Assets** | **2021** | **2020** | | Share Capital | 74,000 | 70,000 | Cash | 7,800 | 9,000 | | Debentures | 6,000 | 12,000 | Debtors | 17,700 | 14,900 | | Reserve for doubtful debts | 800 | 700 | Stock | 42,700 | 49,200 | | Trade Creditors | 11,840 | 10,360 | Land | 30,000 | 20,000 | | P/LA/c | 10560 | 10,040 | Goodwill | 5,000 | 10,000 | |  | **103200** | **103100** |  | **103200** | **103100** |   In addition, you are given:   * Dividend paid is total Rs. 3,500.Land was purchased for Rs.10,000. * Amount provided for an amortization of goodwill - Rs.5,000. * Debentures paid off Rs.6, 000. |
|  | 12. Explain the different types of management reports. |

**SECTION –D**

**Answer the following question. (1x15=15 marks)**

13. The income statements of ABC Ltd are given for the year ending on 31st Dec, 2022 and 2023. Re-arrange the figures in a comparative form and study the profitability position of the concern by interpreting the results.

|  |  |  |
| --- | --- | --- |
|  | **2022 Rs. (000)** | **2023 Rs.**  **(000)** |
| Net sales | 785 | 900 |
| Cost of goods sold | 450 | 500 |
| **Operating Expenses**: |  |  |
| General and administrative expenses | 70 | 72 |
| Selling expenses | 80 | 90 |
| **Non-operating Expenses**: |  |  |
| Interest paid | 25 | 30 |
| Income-tax | 70 | 80 |