

①-16/02/2017

MANAGEMENT ACCOUNTING SYFM SEM III [ATKT] 2016-2017

Marks :75

Q.1 A. Select the most appropriate alternative. [Attempt any 8]

(8)

- 1] Standard quick ratio is _____
 a] 2:1 b] 3:1
 c] 1:1 d] 4:1
- 2] Income earned from activities other than normal business is _____
 a] Operating income b] Net profit
 c] Non Operating income d] All of above.
- 3] Balance sheet provides statement of _____
 a] Financial position b] asset position
 c] Performance position d] Liabilities position
- 4] Proprietary ratio shows _____
 a] Liquidity position b] Short term financial position
 c] Long term financial position d] All of above.
- 5] Standard Debt-Equity ratio is _____
 a] 1:1 b] 2:1
 c] 3:5 d] 1:2
- 6] Financial leverage is calculated as _____
 a] EBIT/EBT b] EBT/EBIT
 c] Contribution/EBT d] Contribution /EBIT
- 7] In vertical income statement interim dividend paid is classified as _____
 a] Finance Expenses b] Selling Expenses
 c] Appropriation of profit d] Non- operating Expenses.
- 8] Debtors Turnover ratio is _____
 a] Revenue Statement Ratio b] Balance sheet Ratio
 c] Combined Ratio d] None of the above
- 9] High geared companies are exposed to _____
 a] Business Risk b] Financial Risk
 c] Inflation Risk d] Interest Risk
- 10] The functions of Management Accounting includes _____.

- a] Controlling
- c] Co-ordinating

- b] Reporting
- d] All of the above

B.Match the following. (Attempt any 7)

Group A

- a] Current Ratio
- b] Stock
- c] Furniture
- d] Short term Investment
- e] 5% Government Securities
- f] Goodwill
- g] Bank overdraft
- h] Management Accounting
- i] Gross profit ratio
- j] Strategic informations

Group B

- i] Intangible fixed Assets
- ii] Non- liquid liability
- iii] Revenue statement ratio
- iv] Fixed asset
- v] Balance sheet ratio
- vi] Non- liquid asset
- vii] Investment
- viii] Top level Management
- ix] Future oriented
- x] Current asset

Q.2A] From the following information calculate the operating leverage ,Financial Leverage Combined leverage .

Income statement for the year ended 31st ,March,2015

Sales	10,50,000
Variable cost	7,67,000
Fixed cost	75,000
EBIT	2,08,000
Interest	1,10,000
Tax[30%]	29,400
Net income	68,600

B]Following data for the year 2015 of Parth Ltd.

	Amount
Sales	10,00,000
Variable cost	6,00,000
Fixed Cost	3,00,000
Net Profit	1,00,000

Calculate :

- 1] P/V ratio
- 2] B.E.P. in Rupees
- 3] Sales required to earn a profit of Rs.2,00,000

OR

Q.2Following are the Trading And Profit & Loss Account of Rohan Ltd. For the year ending 31 March,2015& Balance sheet as on same date.

Profit & Loss Account

Particulars	Amount	Particulars	Amount
Opening Stock	145,000	Sales	750,000
Purchases	610,000	Closing Stock	155,000
Gross Profit	150,000		
	905,000		905,000
Selling Expenses	80,000	Gross Profit	150,000
Net profit	70,000		
	150,000		150,000

Balance sheet

Liabilities	Amount	Assets	Amount
Share capital	700,000	Fixed asset	550,000
Reserve	50,000	Stock	155,000
Profit & loss Account	70,000	Debtors	180,000
Bank Overdraft	35,000	Cash	120,000
Creditors	150,000		
	1,005,000		1,005,000

You are required to calculate following ratios

- | | | |
|-----------------------------|---------------------------|-----------------------|
| 1] Current Ratio | 2] Quick Ratio | 3] Gross Profit Ratio |
| 4] Stock Turnover Ratio | 5] Debtors Turnover Ratio | 6] Net profit Ratio |
| 7] Creditors Turnover Ratio | | |

Q.3

From the following forecast of income & expenditure prepare a cash budget for the 3 months commencing from 1st June when the bank balance was Rs.1,00,000.

[15]

	Sales	Purchases	Wages	Factory Expenses	Selling Expenses
April	80,000	41,000	5,600	3,900	10,000
May	76,500	40,500	5,400	4,200	14,000
June	78,500	38,500	5,400	5,100	15,000
July	90,000	37,000	4,800	5,100	17,000
August	95,000	35,000	4,700	6,000	13,000

A sales commission of 5% on sales due 2 months after sales, is payable in addition to selling expenses. Plant valued at Rs. 65,000 will be purchased and paid in August & the dividend for the last financial year of Rs. 15,000 will be paid in July. There is 2 months credit period allowed to customers and received from suppliers.

OR

Q.3 From the following balances appears in the books of Rolta Ltd. For the year ended 31 March, 2015. You are required to prepare Revenue statement & Balance sheet in vertical

Particulars	Amount	Particulars	Amount
Equity share capital	225,000	Sales	855,000
Plant & Machinery	45,000	Debentures	50,000
Purchases	655,000	Dividend Paid	15,000
Wages	85,000	Depreciation	15,000
Bank overdraft	20,000	Salaries	15,000
Office rent	5,000	Dividend Received	18,000
Advertisement	20,000	Goodwill	25,000
Finance Expenses	8,000	Land & Building	48,000
Income Tax	15,000	Creditors	25,000
Preliminary Expenses [Not written off]	5,000	Investments	75,000
Bills payable	15,000	Purchase Return	5,000
Opening stock	75,000	Debtors	65,000
		cash	42,000

Closing stock on 31st March, 2015 is Rs. 80,000.

Q.4 The following particulars of Veer Ltd. For the year 2015-2016. Calculate the working capital estimate for yearly sales of 78,000 units. [15]

1] Cost sheet

Particulars	Rs. [Per unit]
Raw Materials	40
Wages	20
Overheads	30
Profit	30

- 2] Production & Sales taken place evenly throughout the year.
- 3] Creditors given 8 weeks credit on raw materials.
- 4] Raw material remains in stock for 8 weeks.
- 5] Processing period is of 2 weeks.
- 6] Finished goods remains in stock for 10 weeks.
- 7] Debtors are given 9 weeks credit.
- 8] Time lag in payment of wages is 4 weeks.
- 9] Time lag in payment of overheads is 2 weeks.
- 10] Cash & bank balance maintain ear Rs. 1,05,000.
- 11] Calculate debtors on sales.

OR

Q.4 Prepare common size vertical statement from following information.

Balance sheet as on 31st March, 2015

Liabilities		Assets	
	Amount		Amount
Creditors	10,500	Cash	6,750
Outstanding Expenses	19,500	Debtors	27,750
Loans	56,250	Prepaid Expenses	55,000
Capital	1,64,500	Stock	27,500
Reserve	25,000	Fixed Assets	1,58,750
Total	2,75,750	Total	2,75,750

Income statement for the year ended 31st March, 2015

Expenses	Amount	Income	Amount
To COGS	1,77,750	By Net Sales	3,17,250
To Selling Expenses	90,000	By Profit on sale of asset	3,000
To Administrative Expenses	23,000		
To Tax Paid	8,500		
To Loss by Fire	12,000		
To Net profit	9,000		
Total	3,20,250	Total	3,20,250

- Q.5 a] Define working capital . And describe the factors affects the requirements of working capital . [8]
 b] Define Asset. Explain various types of assets. [7]

OR

Q.5 Write a short Note on (Any Three)

[15]

- Types of working capital
- Revenue statement ratios
- Functions of Management Accountant
- Difference between financial accounting and Management Accounting
- Balance sheet ratio