



DCBC601

Reg. No.

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VI Semester B.Com. (Regular) L.S.C.M./ B.D.A./ A&amp;F/ IAS

Degree Examination, June - 2025

COMMERCE

Management Accounting

(NEP R+F Scheme)

Time : 2½ Hours

Maximum Marks : 60

**Instructions to Candidates:**

Answers should be written only in English.

**SECTION - A****Answer any FIVE of the following sub-questions. Each sub-question carries 2 marks.  
(5×2=10)**

1. a) Define Management Accounting.
- b) What is Management Reporting?
- c) Mention any two objectives of Budgetary control.
- d) Mention any four components of current Assets.
- e) What is a cash Flow Statement?
- f) Mention any two objectives of Financial Statement analysis.
- g) What are Ratios?

**SECTION - B****Answer any FOUR of the following questions. Each question carries 5 marks.****(4×5=20)**

2. Briefly explain the role of a Management Accountant.
3. Given:

Gross Profit	-	Rs.	80,000
Net Profit	-	Rs.	48,000
Gross Sales	-	Rs.	4,12,000
Sales Return	-	Rs.	12,000
Opening Stock	-	Rs.	90,000
Closing Stock	-	Rs.	70,000

Compute: Gross Profit Ratio, Cost of goods sold. Net Profit Ratio, Stock Turnover Ratio.

**[P.T.O.]**



4. Prepare comparative Income Statement from the following information.

Particulars	2024 (Rs.)	2025 (Rs.)
Sales	60,000	56,000
Cost of Goods sold	42,000	36,000
Administrative Expenses	12,000	12,000
Other incomes(Non operating)	500	400
Income Tax	50%	50%

5. From the following data for a 40% activity prepare a Flexible budget for production at 60% capacity.

Particulars	Amount (Rs.)
Production at 40% activity	400 units
Materials	100 per unit
Labour	40 per unit
Direct Expenses	10 per unit
Factory Overhead	40,000 (40% Fixed)
Administration Overhead	30,000 (60% Fixed)

6. From the following balances, calculate cash from Operations.

Particulars	2024 (Rs.)	2025 (Rs.)
Debtors	2,40,000	2,28,000
Bills receivable	80,000	90,000
Creditors	1,20,000	1,40,000
Bills Payable	36,000	28,000
Out standing expences	8,000	8,800
Prepaid expenses	3,600	3,200
Accrued Income	2,800	3,400
Income received in advance	3,600	1,400
Profit made during the year	---	3,20,000

### SECTION - C

Answer any TWO of the following questions. Each question carries 12 marks.

(2×12=24)

7. From the following Balance Sheets of AB Ltd. and CD Ltd. as on 31.03.2025, you are required to prepare a common size Balance Sheet.



<b>Liabilities</b>	<b>AB Ltd. (Rs.)</b>	<b>CD Ltd. (Rs.)</b>
Equity share capital	13,00,000	7,20,000
Preference share capital	6,00,000	4,00,000
Reserves and Surplus	5,00,000	4,80,000
Long Term Loans	18,00,000	10,00,000
Bills payable	1,20,000	60,000
Outstanding expenses	20,000	8,000
Creditors	80,000	28,000
<b>Total</b>	<b>44,20,000</b>	<b>26,96,000</b>
<b>Assets</b>	<b>AB Ltd. (Rs.)</b>	<b>CD Ltd. (Rs.)</b>
Land and Building	18,00,000	8,80,000
Machinery	14,00,000	10,00,000
Investments	2,00,000	1,20,000
Debtors	6,80,000	5,60,000
Cash and Bank	2,20,000	80,000
Prepaid expenses	1,20,000	56,000
<b>Total</b>	<b>44,20,000</b>	<b>26,96,000</b>

8. A company expects to have Rs. 25,000 in Bank on 1<sup>st</sup> May 2025 and requires you to prepare cash budget for three months from May to July 2025. The following information is supplied.

<b>Month</b>	<b>Sales (Rs.)</b>	<b>Purcha -ses (Rs.)</b>	<b>Wages (Rs.)</b>	<b>Office Expenses (Rs.)</b>	<b>Factory Expenses (Rs.)</b>	<b>Selling Expenses (Rs.)</b>
March	50,000	30,000	6,000	4,000	5,000	3,000
April	56,000	32,000	6,500	4,000	5,500	3,000
May	60,000	35,000	7,000	4,000	6,000	3,500
June	80,000	40,000	9,000	4,000	7,500	4,500
July	90,000	40,000	9,500	4,000	8,000	4,500

**Other information:**

- 20% of sales are in cash, remaining is collected in the month following that of sales.
- Suppliers supply goods at two months credit.
- Wages and other expenses are paid in the month following the one in which they are incurred.
- The company pays dividends to share holders Rs. 25,000 in the month of May.
- Plant has been ordered and is expected to be received and paid in June which amounts Rs. 80,000/-
- Income Tax of Rs. 25,000/- is payable in July.

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9. Following is the Balance sheet of Shiva Ltd. Prepare cash flow statement.

Particulars	01.04.2024	31.03.2025
<b>Liabilities</b>	<b>(Rs.)</b>	<b>(Rs.)</b>
Equity share Capital	24,00,000	30,00,000
Profit and Loss A/C	2,00,000	3,00,000
Long Term Debts	8,00,000	16,00,000
Creditors	18,00,000	21,60,000
Bills payable	3,40,000	3,80,000
O/S expenses	20,000	40,000
	<b>55,60,000</b>	<b>74,80,000</b>
<b>Assets</b>	<b>Rs.</b>	<b>Rs.</b>
Building	14,00,000	20,00,000
Machinery	12,00,000	16,00,000
Furniture	7,40,000	8,20,000
Stock	10,40,000	18,00,000
Debtors	8,00,000	7,20,000
Cash	3,40,000	5,40,000
Preliminary Expenses	40,000	--
	<b>55,60,000</b>	<b>74,80,000</b>

**Additional Information:**

- Depreciation written off on Machinery Rs. 80,000 and on Furniture Rs. 80,000.
- Preliminary expenses written off Rs. 40,000.
- Building purchased during the year Rs. 6,00,000.

**SECTION - D**

Answer any ONE of the following questions. Each question carries 6 marks.

(1×6=6)

- Prepare a trend analysis statement for three years with imaginary figures.
  - Prepare with imaginary figures a cash flow statement showing only cash flows from Financing activities.
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