



QP CODE: 25021689



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Reg No : .....

Name : .....

**B.VOC DEGREE REGULAR/REAPPEARANCE EXAMINATIONS, MARCH 2025**

**Sixth Semester**

B.Voc Applied Accounting and Taxation

**AATS603 - MANAGEMENT ACCOUNTING**

2018 Admission Onwards

E239DD6F

Time: 3 Hours

Max. Marks : 80

**Part A**

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. Distinguish management accounting and financial accountin
2. What do you mean by Decision Accounting?
3. Explain any three features of financial statemen
4. What are uses of financial analysis ?
5. What do you mean by vertical analysis.
6. What do you mean by comparative statement.
7. Explain any two forms which the ratio express.
8. What are Combined Ratios?
9. What is Capital Gearing Ratio?
10. Explain any three limitations of Fund flow statement.
11. State any three difference between Income statement and Fund flow statement.
12. How will you calculate cash from operation?

(10×2=20)

**Part B**

*Answer any **six** questions.*

*Each question carries **5** marks.*

13. Explain the scope of Management Accounting.





14. Write a short note on comparative statement explain its types.
15. Ram Ltd. decided to bear the higher education cost of five brilliant students belonging to the weaker section of the society. Following is the statement of profit and Loss of Ram Ltd. for the year ended 31.03.2018.

Particulars	Amount
Income:	
	Revenue from operations
2,00,000	
Other Income	15,000
Total Revenue	<u>2,15,000</u>
Expenses:	
Cost of material consumed	1,10,000
	Other expenses
5000	
Total expenses	<u>1,15,000</u>
Tax	40,000

You are required to prepare a common size statement of Profit and Losses of Ram Ltd. for the year ended 31.03.2018

16. From the following information, prepare a summarised Balance Sheet as on 31st March 2019.

a. Working Capital	<b>Rs. 1,20,000</b>
b. Reserves & Surplus	<b>Rs. 80,000</b>
c. Bank Overdraft	<b>Rs. 20,000</b>
d. Proprietary Ratio	<b>0.75(Fixed assets:</b>
<b>Shareholders' fund)</b>	
e. Current Ratio	<b>2.5</b>
f. Liquid Ratio	<b>1.5</b>

17. What do you mean by 'Flow of Fund'? Explain the General procedure for knowing wheather a transaction results in flow of funds or not.
18. Following are the summarised Balance Sheet of East Coast Commercial Company Ltd. as on 31st December 2016 and 2017.

Balance Sheet			
Particulars	Note No.	2016 Amount (Rs.)	2017 Amount (Rs.)
<b>I. EQUITY AND LIABILITIES:</b>			
<b>1. Shareholders' Fund</b>			





Share capital		2,00,000	2,50,000
Reserves and surplus	1	80,500	90,600
<b>2. Share Application Money Pending Allotment</b>			
<b>3. Non-current Liabilities</b>			
Long-term borrowings (10% Bank loan)		70,000	----
<b>4. Current Liabilities</b>			
Trade Payables (Creditors)		1,50,000	1,35,200
Short term provisions(Provision for tax)		30,000	35,000
<b>TOTAL</b>		<u>5,30,500</u>	<u>5,10,800</u>
<b>II. ASSETS:</b>			
<b>1. Non-current Assets</b>			
Fixed Assets:			
Tangible assets			
Intangible assets (Goodwill)	2	3,50,000	3,59,000
		----	5,000
<b>2. Current Assets:</b>			
Inventories (Stock)			
Trade Receivables (Debtors)		1,00,000	74,000
Cash and Cash Equivalents		80,000	64,200
<b>TOTAL</b>	3	<u>500</u>	<u>8,600</u>
		<u>5,30,500</u>	<u>5,10,800</u>

#### Notes to Account

Particulars	2016	2017
<b>1. Reserves and Surplus</b>		
	50,000	60,000





General Reserve	30,500	30,600
Profit and loss account	<u>80,500</u>	<u>90,600</u>
Total		
<b>2. Tangible Assets</b>		
Land and Building	2,00,000	1,90,000
Plant and Machinery	1,50,000	1,69,000
Total	<u>3,50,000</u>	<u>3,59,000</u>
<b>3. Cash and Cash Equivalents</b>		
Cash in hand	500	600
Cash at bank	--	8,000
Total	<u>500</u>	<u>8,600</u>

Additional Information:

During the year 2017.

1. Dividend of Rs.23,000 was paid and income tax paid Rs.28,000
2. Assets of another company were purchased for a consideration of Rs.50,000 payable in shares. The following assets were purchased:

Stock – Rs. 20,000

Machinery – Rs. 25,000

3. Machinery was purchased for Rs.8,000
4. Depreciation written off: building Rs.10,000 and Machinery Rs.14,000
5. Bank loan is repaid on 01.01.2017

Prepare: (1) A schedule of changes in working capital and (2) A funds flow statement.

19. How will you treat the following while calculating operating net profit? (a) Loss on sale of machine (b) Depreciation (c) Preliminary expense written off (d) Dividend paid.
20. From the following particulars, calculate Net cash flow from investing activities.

Sale(Rs.)	Purchase (Rs.)
Land	2,00,000
Furniture	50,000
20,000	





Goodwill	1,00,000
Investment	75,000
10,000	
Interest received on debenture Rs. 5,000	
Dividend received on shares Rs. 7,500	
Dividend paid to shareholders Rs.10,000	

21. The Balance Sheet of a Company as on 31st March 2018 and 2019 are given below.  
Balance Sheet

Particulars	Note No.	2018 Amount (Rs.)	2019 Amount (Rs.)
<b>I. EQUITY AND LIABILITIES:</b>			
<b>1. Shareholders' Fund</b>			
Share capital		1,00,000	1,60,000
Reserves and surplus(P & L account)		70,250	85,300
<b>2. Share Application Money Pending Allotment</b>			
<b>3. Non-current Liabilities</b>			
Long-term borrowings (12% Debenture)		50,000	----
Long-term Provisions (Accumulated Depreciation)		60,000	40,000
<b>4. Current Liabilities</b>			
Trade Payables (Creditors)		28,000	
			48,000
<b>TOTAL</b>		<b><u>3,08,250</u></b>	<b><u>3,33,300</u></b>
<b>II. ASSETS:</b>			
<b>1. Non-current Assets</b>			
Fixed Assets:			
Tangible assets		1,52,000	2,00,000
<b>2. Current Assets:</b>			





Inventories (Stock)		93,400	
Trade Receivables (Debtors)		30,800	89,200
Cash and Cash Equivalents		28,100	21,100
Other Current Assets (Prepaid expenses)		3,950	20,000
<b>TOTAL</b>		<b><u>3,08,250</u></b>	<b><u>3,000</u></b>
			<b><u>3,33,300</u></b>

The following additional information for 2019 are also given:

1. Net Profit, Rs.27,050
2. Depreciation charged, Rs.10,000
3. Cash dividend declared during 2018-2019, Rs.12,000
4. An addition to the building was made during the year at a cost of Rs.78,000 and fully depreciated equipment costing Rs.30,000 was discarded as no salvage being realised.
5. Debentures were redeemed on 01.04.2018.

(6×5=30)

### Part C

Answer any **two** questions.

Each question carries **15** marks.

22. What do you understand by 'Management Accounting'? How does it differ from Cost Accounting?
23. What do you mean by financial statements analysis ? Explain its types.
24. Calculate Trade Receivables Turnover Ratio and Average Collection Period.

	<b>Rs.</b>
Total Revenue from operations for the year 2019 (Total sales)	1,00,000
Cash revenue from operations for the year 2019 ( Cash sales)	20,000
Debtors as on 01.01.2019	10,000
Debtors as on 31.12.2019	15,000
Bills receivable as on 01.01.2019	7,500
Bills receivable as on 31.12.2019	12,500

25. "A funds flow statement is a better substitute for an income statement" Discuss.

(2×15=30)

