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Reg. No.................................

Name....................................

FIVE YEAR B.Com., LL.B. (HONOURS) DEGREE EXAMINATION, NOVEMBER 2024

Fourth Semester

FC 10—MANAGEMENT ACCOUNTING

(2022 Admissions—Regular/2018 to 2021 Admissions—Supplementary)

Time : Three Hours

Maximum : 75 Marks

Part A

Answer any **five** *questions.*
Each question carries 3 *marks.*

1. Define Management Accounting.
2. Describe briefly the characteristics of good financial statement.
3. Explain the impact of the following transactions on flow of fund (a) Cash collected from debtors ; (b) Purchase of machinery by issue of debentures; (c) Old furniture written off to P & L Account.
4. How will you determine Stock turnover ratio ?
5. Give the significance of Comparative statements.
6. Write notes on indirect method of presenting cash flow statements.

(5 × 3 = 15 marks)

Part B

Answer any **three** *questions.*
Each question carries 10 *marks.*

7. Discuss the utility and significance of financial statements to various parties interested in the business concern.
8. Discuss the scope, characteristics and objectives of management accounting.
9. Following are the summary of cash transactions extracted from the books of Asia Ltd. :

	Rs.		Rs.
Balance as on 1-7-2013 ...	35,000	Paid to suppliers ...	20,47,000
Receipts from customers ...	27,83,000	Paid for fixed assets ...	2,30,000
Issue of shares ...	3,00,000	Paid for overheads ...	1,15,000
Sale of fixed assets ...	1,28,000	Salaries ...	69,000
		Income tax ...	2,43,000
		Dividend paid ...	80,000
		Paid for bank loan ...	2,50,000

The balance of cash as on 30-6-2014 is Rs. 2,12,000. Prepare a cash flow statement of the company for the period ended 30th June, 2014 by direct method.

Turn over

10. From the following particulars, calculate net cash flow from investing activities :

Particulars		*Purchase* (Rs.)	*Sale* (Rs.)
Land	...	2,00,000	—
Furniture	...	50,000	20,000
Goodwill	...	1,00,000	—
Investments	...	75,000	10,000

Amount received on debentures—Rs. 5,000

Dividend received on shares—Rs. 7,500

Dividend paid to shareholders—Rs. 10,000.

(3 × 10 = 30 marks)

Part C

Answer any **two** *questions.*
Each question carries 15 *marks.*

11. What are the different techniques used for the analysis and interpretation of financial statements ?

12. From the following Balance Sheet as on 31st December, 2012 and 2013, you are required to prepare a statement showing flow of funds :

Assets		2012	2013
Cash	...	35,000	50,000
Debtors	...	1,25,000	1,20,000
Stock	...	70,000	80,000
Land	...	40,000	60,000
Liabilities			
Share capital	...	2,00,000	2,50,000
Creditors	...	60,000	35,000
Retained earnings	...	10,000	25,000

13. From the following information, you are required to prepare a Balance Sheet :

Working capital	...	Rs.75,000
Reserves and Surplus	...	Rs. 1,00,000
Bank overdraft	...	Rs. 60,000
Current ratio	...	1.75 : 1
Liquid ratio	...	1.15 : 1
Fixed assets to Proprietors fund	...	0.75
Fixed assets	...	Rs. 2,25,000
Share capital	...	Rs. 2,20,000

(2 × 15 = 30 marks)