

This question paper contains 4 printed pages!

HG—14—2023

FACULTY OF COMMERCE & MANAGEMENT

B.B.A. (Third Year) (Sixth Semester) EXAMINATION

APRIL/MAY, 2023

(CBCS/New Pattern)

MANAGEMENT ACCOUNTING

(Monday, 24-4-2023)

Time : 10.00 a.m. to 12.00 noon

Time—Two hours

Maximum Marks—40

N.B. — (i) Q No. 1 is compulsory.

(ii) Solve any *three* questions from Q. No. 2 to Q. No. 6.

(iii) All questions carry equal marks.

(iv) Only non-programmable calculator is allowed.

1 Attempt the following (any five) :

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(i) Labour Rate Variance.

(ii) Meaning of Management Accounting.

(iii) Profit Volume Ratio.

(iv) Flexible Budget.

(v) Material Mix Variance.

(vi) Investing Activity in Cash Flow Statement.

(vii) Current Liability

(viii) Variable Cost.

P.T.O.

2. The following information is available, calculate :

- (i) Material Cost Variance. 10
 (ii) Material Price Variance
 (iii) Material Usage Variance.

Material A : 10 kg. @ Rs. 10 per kg, and

Material B : 15 kg. @ Rs. 20 per kg.

In a week, 10,000 units were produced the actual consumption of materials was :

Material A : 1,20,000 kg. @ Rs. 9 kg, and

Material B : 1,40,000 kg. @ Rs. 23 per kg.

3. From the following information calculate :

- (i) Profit Volume Ratio 10
 (ii) Fixed Cost
 (iii) Break Even Point Sales
 (iv) Sales required to earn profit of Rs. 5,000
 (v) Profit when sales are Rs. 90,000.

Year	Sales	Profit/Loss
2019	Rs. 40,000	Rs. 2,000 (Loss)
2020	Rs. 50,000	Rs. 2,000 (Profit)

4. From the following Balance Sheet of ABC Ltd., prepare cash flow statement : 10

Particulars	2021 (Rs.)	2023 (Rs.)
Assets :		
Cash	35000	75000
Debtors	99000	90000

Stock	87000	120000
Long-Term Investment	15000	10000
Land	20000	30000
Total	255000	325000
Liabilities :		
Capital	125000	150000
Creditors	50000	45000
Short Term Loan	-	20000
Bank Loan	60000	75000
Bills Payable	20000	35000
Total	255000	325000

5. A company wishes to arrange overdraft facilities with its bankers during the period April to June when it will be manufacturing most of stock. Prepare a Cash Budget from the data given below for a period of three months (April, May & June, 2022) :

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Month	Sales	Purchases	Wages
Feb-22	180,000	124,800	12,000
Mar-22	192,000	144,000	14,000
Apr-22	108,000	243,000	11,000
May-22	174,000	246,000	10,000
Jun-22	126,000	268,000	15,000

50% of Credit Sales are related in the month following sales and the remaining 50% in the second month following. Creditors are paid in the month following the month of purchase.

Wages are paid on the first of very next month.

Cash at bank on 1st April Rs. 25,000

P.T.O.

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Write short notes on following (any two) :

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(a) Role of Management Accounting in Decision Making.

(b) Difference between Financial Accounting & Management Accounting.

(c) Benefits of Fund flow statement.

(d) Variance Analysis.