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SUBJECT CODE NO:- C-3046
FACULTY OF COMMERCE & MANAGEMENT
B.Com T.Y. (Sem-V)
Examination November/December- 2022
Management Accounting-I

[Time: 3 Hours]

[Max. Marks:80]

N.B

“Please check whether you have got the right question paper”

Questions No. 1 is compulsory.

Solve any 4 questions from 2 to 7.

Q.1 A) Multiple-choice questions. (MCQ)

05

- 1) Statement of cash flows includes_____
 - a) Financing Activities
 - b) Operating Activities
 - c) Investing Activities.
 - d) All of the Above.

- 2) Funds flow statement is also known as
 - a) Statements of flow
 - b) Statements of source and Application funds
 - c) Statements of source and uses of funds.
 - d) All of the above.

- 3) Inventory ratio is a relationship between_____
 - a) Cost of goods Purchased and cost of average inventory.
 - b) Cost of goods sold and cost of average inventory
 - c) Both
 - d) All of the above.

- 4) The purpose of Management Accounting is to.
 - a) Help banks make decisions
 - b) Help investment
 - c) Both
 - d) Help Managers make decision

- 5) Analysis of any financial Statement comprises.
 - a) Balance sheet
 - b) Profit and loss
 - c) Trading Account.
 - d) All of the above.

B) Answer in one sentence.

05

- 1) What is the formula of current ratio?
- 2) What is mean by change in working capital?
- 3) What is the primary goal of management accounting?

- 4) What is importance of funds flow statement?
5) What is mean by cash flow statement?

C) Fill in the blank.

- 1) Changes in working capital is the _____
2) Gross profit ratio= _____
3) Which statement is prepared in the process of funds flow analysis _____
4) The statement of cash flow clarifies cash flow according to _____
5) Inventory ratio = _____

05

D) True or False

- 1) Funds flow statement is prepared on an actual basis.
2) Ratio analysis is helpful in financial planning and forecasting.
3) Balance sheet show financial position of a company.
4) Statement of cash flows includes Investing activities, financial Activities, and operating activities.
5) Investment is not current asset.

05

Q.2 What do you mean by management Accounting? Explain the advantages and disadvantages of management Accounting? 15

Q.3 Following the trading and profit and loss account of kimaya company Limited per the year ending 31 march 2021 and their balance sheet as on that Date. 15

Trading and profit & loss account

Particulars	Amount	Particulars	Amount
To opening Stock	130,000	By sales	310,000
To purchase	200,000	By closing	150,000
To gross profit	130,000	stock	
Total	460,000	Total	460,000
To Expense	30,000	By gross profit	130,000
To net profit	100,000		
Total	130,000	Total	130,000

Balance Sheet

Liabilities	Amount	Assets	Amount
Share capital	90,000	Dead stock	60,000
Reserve & surplus		Current Assets	
Balance: 40,000		Stock	240,000
Profit & loss All 50,000	90,000	Debtors	160,000
Bank old	60,000	Cash	240,000
Sundry creditors	190,000		
Total	12,40,000	Total	12,40,000

You are required to calculate the following ratio.

- 1) Current ratio
- 2) Liquid ratio
- 3) Gross ratio
- 4) Net profit ratio
- 5) Stock turnover ratio

Q.4 The following are the balance sheet of kimaya company limited as on 31-12-2020 and 31-12-2021

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Balance sheet

Liabilities	31-12-2020 (Rs)	31-12-2021 (Rs)	Assets	31-12-2020 (Rs)	31-12-2021 (Rs)
Pref share capital	100,000	300,000	Stock	109000	200,000
Share capital	30,000	40,000	Cash	50000	40,000
Profit and loss A/C	250,000	300,000	Bank	100000	95000
Creditors	90,000	100,000	Machinery	200000	300,000
Provision for			good will	70000	60,000
Taxation			investment	95000	200,000
Mortgage Loan	90,000	110,000	Debtors	20000	45000
Outstanding exp.	40,000	50,000			
	44000	40,000			
Total	644000	940,000	Total	644000	940,000

Additional information:

1. During the year a machine costing of Rs.9000 and was sold of Rs.80,000
2. Accumulated dep. on machinery of Rs.10,000
3. Dividend paid of Rs.40,000
4. Provision for taxation of Rs.35000

Prepare the

-fund & low statement

-changes in working capital

The following are the summarized balance sheet of kimaya company Limited as on 31-12-2020 and Q.5 31-12-2021

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Balance sheet

Liabilities	2020 (Rs)	2021 (Rs)	Assets	2020 (Rs)	2021 (Rs)
Share capital	100,000	100,000	Fixed Assets	141000	80,000
General R	30,000	45000	Investment	40000	100,000
Profit and loss All	10000	30,000	Stock	10000	70,000
Creditors	90,000	85000	Debtors	2000	10000
Provision for treat	10000	20,000	Bills Receivable	10000	15000
			Cash	38000	7000
Outstanding exp.	1000	2000			
			Total	241000	282000
Total	241000	282000			

Additional information-

1. During the year a fixed assets costing of Rs.30000 and was sold for Rs.340000.
2. During the year an investment costing of Rs.7000 and was sold for Rs.80000.
3. Provision for taxation was made during the year of Rs.50000
4. The dividend was paid for Rs.45000.

You are required to calculate.

-cash & low statement

Q.6 Prepare cash flow statement for the year ended 31-12-2020 and 31-12-2021 from the following information of kimaya company Limited.

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Balance sheet

31-12-2022 and 31-12-2021

Liabilities	2020 (Rs)	2021 (Rs)	Assets	2020 (Rs)	2021 (Rs)
Bank old	5000	-	Cash	1000	2000
Sundry creditors	100,000	90,000	Bank	-	5000
Provision for treat	40000	45,000	Sundry creditors	95000	90,000
Mortgage loan	60,000	-	Stock	107000	10,0000
Profit & loss All	31000	32000	Good will	20,000	20000
Gerenal R	40000	50,000	Land & building	140,000	11000
Share capital	150,000	200000	Plant & machinery	63000	90000
Total	426000	417000	Total	426000	417000

Additional information-

- 1) Dividend was paid for Rs.20000.
- 2) Assets of another company were purchased by issued of share issued for Rs.50000 and assets consisted of stock of Rs.20000 plant & machinery 25000.
- 3) New machinery was purchased for Rs.9000
- 4) Dep.charge on plant for Rs.10000.
- 5) Provision for taxation by made for Rs.32000.
- 6) Loss on sales of machinery of Rs 300 was written off to General Reserve

You are required to Calculate

Cash Flow Statement

Q.7 Write short notes (Any Three)

- 1) Scope of financial statements.
- 2) Financial statement Analysis
- 3) Objective of financial statement
- 4) Trend Analysis
- 5) Financial Accounting and cost Accounting

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