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Name.....

Reg. No.....

**FIFTH SEMESTER CBCSS-UG DEGREE EXAMINATION**  
**NOVEMBER 2025**

(2019 Syllabus)

B.Com.

BCM 5B 07—ACCOUNTING FOR MANAGEMENT

Time : Two Hours and a Half

Maximum : 80 Marks

*Answers should be written English only.***Part A***Answer all questions.*

1. What do you mean by management accounting ?
2. What is capital gearing ratio ?
3. The Current Assets are Rs. 5,00,000, Inventories are Rs. 1,50,000 and Current Liabilities are Rs. 2,00,000. Find the Quick Ratio.
4. What is ratio analysis ?
5. What do you mean by intra-firm comparison ?
6. Write notes on dynamic analysis of financial statements.
7. Define fund flow statement.
8. What is key factor ?
9. List out activity ratios.
10. What is break-even point ?
11. List out any four sources of fund.
12. What do you understand by make or buy decision ?

**Turn over**

13. Calculate the amount of variable cost from the following information.

	Rs.
Sales	3,00,000
Fixed Cost	60,000
Profit	80,000

14. What is fund from operation ?

15. What is Margin of safety ?

( $15 \times 2 = 30$ , maximum ceiling 25 marks)

### Part B

*Answer all questions.*

16. What is a Cash flow statement ? Explain its objectives.

17. What are the differences between financial accounting and management accounting ?

18. Explain various objectives of ratio analysis.

19. Write notes on the uses and significance of the fund flow statement.

20. ABC Ltd. provides the following financial data for the year. Calculate Net Cash from Operating Activities :

Particulars	Amount (Rs.)
Cash Sales	50,000
Collections from Debtors	1,20,000
Payments to Suppliers	70,000
Payments to Employees	30,000
Business Expenses	25,000
Income Tax Paid	15,000
Sale of Machinery	40,000

21. Alpha Ltd. and Beta Ltd. operate in the same industry but have different cost structures. The following details are available :

Particulars	Alpha Ltd.	Beta Ltd.
Selling Price per Unit	Rs. 120	Rs. 120
Variable Cost per Unit	Rs. 70	Rs. 50
Total Fixed Costs	Rs. 3,00,000	Rs. 5,00,000

a) Calculate the Break-Even Point (BEP) for both companies.

b) What is the indifference point of two companies ?

22. From the following information, calculate :

- Trade receivables turnover ratio.
- Average collection period.
- Trade payable turnover ratio.
- Average payment period.

Given :

	Rs.
Revenue from Operations	8,75,000
Creditors	90,000
Bills receivable	48,000
Bills payable	52,000
Purchases	4,20,000
Trade debtors	59,000

**Turn over**

23. Convert the following profit and loss into a comparative statement of profit and loss of XYZ Ltd.:

Particulars	Note No.	2022-23 (Rs.)	2023-24 (Rs.)
(i) Revenue from operations		60,00,000	75,00,000
(ii) Other incomes		1,50,000	1,20,000
(iii) Expenses		44,00,000	50,60,000
(iv) Income tax		35%	40%

(8 × 5 = 40, maximum ceiling 35 marks)

### Part C

*Answer any two questions.*

24. Prepare the Balance Sheet with the help of the following accounting variables:

Gross Profit (20% of Sales)	Rs. 30,000
Shareholder's Equity	Rs. 25,000
Credit Sales to Total Sales	80%
Total Assets Turnover	3 times
Stock Turnover	8 times
Average Collection period (360 days in a year)	18 days
Current Ratio	1.6:1
Long-term Debt to Equity	40%

25. A manufacturing company is currently operating at 60% capacity due to reduced demand. The following cost details are available :

Cost Component	Cost per unit (Rs.)
Direct Material	3
Direct Labour	2
Variable Overhead	4
Fixed Overhead	3
Total Cost	12

Production per month = 30,000 units

Total cost of production = Rs. 3,60,000

Total sales revenue (30,000 units @ Rs. 11) = Rs. 3,30,000

Loss per month = Rs. 30,000

A buyer offers to purchase 15,000 additional units per month at Rs. 10 per unit. The company seeks your advice on whether to accept or reject the order.

26. From the following two Balance Sheets on 31<sup>st</sup> March 2023 and 2024, you are required to prepare :

- (1) Schedule of changes in working capital.
- (2) Fund flow statement.

Balance Sheet

Particulars	Note No.	2023 (Rs.)	2024 (Rs.)
<b>I. EQUITY AND LIABILITIES :</b>			
(1) Shareholder's Funds			
Share capital		3,25,000	3,00,000
Reserves and Surplus (P & L account)		1,70,000	1,00,000
(2) Share Application Money Pending			
Allotment			
(3) Non-current Liabilities			
Long term borrowings 10% Debentures)		1,50,000	2,00,000
(4) Current Liabilities			
Trade payables (Trade creditors)		98,000	75,000
Other current liabilities (O/S expenses)		2,000	5,000
TOTAL		7,45,000	6,80,000

**Turn over**

Particulars	Note No.	2023 (Rs.)	2024 (Rs.)
<b>II. ASSETS :</b>			
(1) Non-current Assets			
Fixed Assets:			
Tangible assets	1	6,00,000	5,50,000
(2) Current Assets			
Inventories (Stock)		1,10,000	80,000
Trade Receivables (Debtors)		30,000	46,000
Cash and cash equivalents (cash)		5,000	4,000
	<b>TOTAL</b>	<b>7,45,000</b>	<b>6,80,000</b>

## Notes to Account

Particulars	2023 (Rs.)	2024 (Rs.)
<b>I. Tangible Assets</b>		
Land and building	4,90,000	4,25,000
Plant and Machinery	90,000	1,00,000
Furniture	20,000	25,000
<b>Total</b>	<b>6,00,000</b>	<b>5,50,000</b>

## Additional Information :

Depreciation written off during the year :

1. On machinery Rs. 10,000
2. On furniture Rs. 2,000.

27. Give a proforma of cash flow statement (direct method) with imaginary figures.

(2 × 10 = 20 marks)