

FIFTH SEMESTER B.Com. DEGREE EXAMINATION, NOVEMBER 2025

(CBCSS - UG)

(Regular/Supplementary/Improvement)

CC19UBCM5B07 / CC20UBCM5B07 - ACCOUNTING FOR MANAGEMENT

(Commerce: Finance / Taxation - Core Course)

(2019 Admission onwards)

Time : 2.5 Hours

Maximum : 80 Marks

Credit : 4

Part A (Short answer questions)Answer ***all*** questions. Each question carries 2 marks.

1. Why management accounting is called 'Multidisciplinary'?
2. What do you mean by cost accounting?
3. Write the main objectives of Financial Accounting?
4. What is Budgetary Control?
5. What is meant by Interfirm Comparison?
6. What do you mean by Internal Analysis?
7. What are Comparative Statements?
8. How we can express the Ratios?
9. You are given the balance sheet of PQR Ltd, Analyse the liquidity position.

Liabilities	Amount	Assets	Amount
Share capital	3,400	Fixed assets	4,000
Reserves and surplus	3,000	Stock	1,200
Sundry creditors	600	Debtors	1,800
Bills payable	200	Cash	1,000
Bank overdraft	800		
	<hr/>		<hr/>
	8,000		8,000

10. What is EPS?
11. List out the objectives of fund flow statement.
12. List out the demerits of fund flow statement.
13. What is semi variable cost?
14. What is break even chart?

(1)

Turn Over

15. Calculate sales from the following: Contribution 1,50,000, P/V ratio 30%.

(Ceiling: 25 Marks)

Part B (Paragraph questions)

Answer **all** questions. Each question carries 5 marks.

16. Convert the following balance sheet into common size statement.

Liabilities	Amount	Assets	Amount
Share capital	12,00,000	Fixed assets	12,50,000
Reserves	3,00,000	Stock	6,00,000
P/L account	1,50,000	Debtors	4,00,000
Debentures	6,00,000	Bank	2,50,000
Creditors	2,50,000		
	<u>25,00,000</u>		<u>25,00,000</u>

17. Calculate collection period.

Total sales	=	3,00,000
Cash sales	=	50,000
Debtors on 1 January	=	25,000
Bills receivable on 1 January	=	15,000
Debtors on 31 December	=	35,000
Bills receivable on 31 December	=	25,000

18. The following data are available in respect of material A for the year ended 31st December 2010.

Opening stock 90,000 Purchasing during the year 2,70,000 Closing stock 10,000

Calculate: (i) Inventory turnover ratio and (ii) the number of days for which the average inventory is held

19. The following balances are extracted from the balance sheet of a company.

	31-12-2015	31-12-2015
Machinery	80,000	2,00,000
Accumulated depreciation	30,000	35,000
P/L account	25,000	40,000

The following additional information is also available:

(a) A machine costing Rs. 20,000 was purchased during the year by issue of equity shares.

(b) On 01-01-2015, a machine costing Rs.15,000 (accumulated depreciation Rs.5,000) was sold for Rs.7,000

Find out the sources and uses of fund.

20. From the following balance sheet, prepare statement of changes in working capital.

	2019	2020		2019	2020
Share capital	2,00,000	2,87,500	Plant	37,500	50,000
Creditors	53,000	35,000	Stock	60,500	68,000
P/L account	7,000	15,500	Debtors	90,500	85,000
	<u>2,60,000</u>	<u>3,38,000</u>	Cash	<u>71,500</u>	<u>1,35,000</u>
				<u>2,60,000</u>	<u>3,38,000</u>

21. Calculate fund from operation:

	31-03-2015	31-03-2016
P/L account	6,000	7,000
General reserve	2,000	3,000
Provision for depreciation on plant	6,000	7,000
Outstanding expenses	1,000	600
Goodwill	4,000	2,000
Debtors	8,000	7,000
Creditors	6,000	8,000

An item of plant costing Rs.4,000 having a book value of Rs.2,800 was sold for Rs.3,600 during 2015-2016.

22. What are the assumptions of marginal costing?

23. From the following information, calculate.

A) P/V ratio

B) break even point (in units)

C) break even point (in value)

Selling price per unit Rs. 20

Variable cost per unit Rs. 12

Fixed costs Rs. 32,000

(Ceiling: 35 Marks)

Part C (Essay questions)

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

24. Explain the uses and limitations of Ratio Analysis?

25. Liabilities:	2014	2015
Share capital	5,00,000	6,00,000
8%debentures	2,00,000	2,50,000
Share premium	50,000	60,000
General reserve	25,000	40,000
P/L account	1,10,000	1,35,000
Creditors	25,000	20,000
Proposed dividend	30,000	40,000
Assets		
Land	2,90,000	3,83,000
Machinery	4,60,000	5,40,000
Furniture	60,000	74,000
Stock	80,000	1,10,000
Debtors	40,000	33,000
Cash	10,000	5,000

Turn Over

Additional information:

a. Depreciation was provided during 2014 and 2015.

Land Rs. 23,000, Plant Rs. 42,000, Furniture Rs. 6,000

b. An old machine having a book value of Rs. 40,000 was sold for Rs. 32,000 during the year 2014-2015.

c. During 2014-2015 - 10,000 additional shares of Rs. 10 each were issued at a premium of 10%.

Prepare fundflow statement.

26. The comparative balance sheet of a company given below:

Liabilities	2015	2016
Share capital	35,000	37,000
Debentures	6,000	3,000
Creditors	5,180	5,920
Provision for doubtful debt	350	400
Assets:		
Cash	4,500	3,900
Book debts	7,450	8,850
Stocks	24,600	21,300
Land	10,000	15,000
Goodwill	5,000	2,500

Additional information:

a. Dividends paid amounted to Rs. 1,750

b. Land was purchased for Rs. 5,000 and amount provided for the amortization of goodwill amounted to Rs. 2,500

c. Debenture were repaid to the extent of Rs. 3,000

You are required to prepare cash flow statement.

27. The director's of Cochin Ltd are considering the sales budget for the next budget period.

The following information has been made available from the cost records

	Product A	Product B
Direct material	Rs. 20	Rs. 25
Direct wages	5 hours	7.5 hours
Selling price	60	100

Variable overheads 100% of direct wages.

Fixed overheads Rs. 10,000 per annum.

You are required to present to the management a statement showing the marginal cost of each product, and to recommend which of the following sales mix should be adopted.

a. 450 units of A and 300 units of B

b. 900 units of A only

c. 600 units of B only

d. 600 units of A and 200 units of B

(2 × 10 = 20 Marks)
