**Roll No.** | | | | | | | | | | | | |

**Total No. of Questions: 07** **Total No. of Pages: 02**

**B. Com. (Sem. 5)**
**MANAGEMENT ACCOUNTING**
**Subject Code: BCOP-504**
**Paper ID: B-1153**

**Time: 3 Hrs.** **Max. Marks: 60**

**INSTRUCTIONS TO CANDIDATES:**

1. **Section A is COMPULSORY consisting of TEN Questions carrying TWO marks each.**
2. **Section B contains SIX questions carrying TEN marks each and students have to attempt any FOUR questions.**

## SECTION A

1. Write note on the followings:
   a) Scope of Management Accounting
   b) Common Size Income Statement
   c) Liquid Assets
   d) Horizontal Analysis
   e) Return on Capital Employed
   f) Solvency Position -
   g) Cash from Financing Activities
   h) Funds from operations
   i) Schedule of Changes in working capital
   j) Management Audit

## SECTION B

**2.** "Management accounting serves as an aid to the company management". Elaborate this statement.

**3**. Discuss in detail the responsibilities of a Management Accountant. Also differentiate between financial and management accounting .

**4**. What is a Common Size Statement? Explain the process of preparation of common size income statement and common size Balance Sheet with any example of your choice.

**5.** From the following information, calculate the following ratios: (a) Debt Equity Ratio (b) Interest Coverage Ratio (c) Debt to Total Fund Ratio (d) Return on Investment Ratio and (e) Capital Turnover Ratio-:

| | Rs. |
|---|---|
| Share Capital | 3,20,000 |
| General Reserve | 1,20,000 |
| Profit and Loss a/c | 2,00,000 |
| Loan @ 15% interest | 4,00,000 |
| Sales for the year | 11,20,000 |
| Tax Paid during the year | 80,000 |
| Profit for the year after interest and tax | 1,60,000 |

**6.** From the following Balance sheet of RR & Co. Ltd., you are required to prepare (a) Schedule of Changes in Working Capital (b) Fund Flow Statement

**Balance Sheet**

| **liabilities** | **2002** Rs. | **2003** Rs. | **ASSETS** | **2002** Rs. | **2003** Rs. |
|---|---|---|---|---|---|
| Equity Capital | 1, 00,000 | 1, 00,000 | Good Will | 6,000 | 6,000 |
| General Reserve | 14,000 | 18,000 | Patents | 6,000 | 6,000 |
| Profit & Loss a/c | 16,000 | 13,000 | Building | 50,000 | 46,000 |
| Bank Overdraft | 3,000 | 2,000 | Machinery | 27,000 | 26,000 |
| Sundry Creditors | 5,000 | 3,400 | Investments | 10,000 | 11,000 |
| Bills Payable | 12, 00 | 800 | Stock | 20,000 | 13,400 |
| Provision for Taxation | 10,000 | 11,000 | Bills Receivable | 12, 000 | 13,200 |
| Proposed Dividend | 6,000 | 7,000 | Debtors | 18,000 | 19,000 |
| Provision for Doubtful Debts | 400 | 600 | Cash at Bank | 6,600 | 15,200 |
| | 1, 55,600 | 1, 55,800 | | 1, 55,600 | 1, 55,800 |

Additional Information

a) Depreciation Charged on Machinery Rs. 4,000 and on Building Rs. 4,000.

b) Provision for Taxation of Rs. 19,000 was made during the year 2003.

c) Interim Dividend of Rs. 8,000 was Paid during the year 2003.

**7.** What do you mean by Management Reporting? Also discuss the principles of good reporting system.