QUESTION 2015

Group – A (Multiple Choice Type Questions)

(Multiple Choice	Type Questions)	William and a toleton -
Choose the correct alternatives for any ten of the	e following:	arsen to made action in
 i) The margin of safety is represented by 	L+ E T Dr. F JEO.	AL MAN (p)
a) sales-contribution	√ b) actual sales-brea	k even sales
c) profit-contribution	d) none of these	The second
,,		come the spanis
ii) At break-even point		to the other than
a) total sales = total fixed cost	b) total sales = total va	riable cost
c) total sales = total verifiable cost	✓d) total sales = total	11 - m (1)
The state of the s	CATHACATURA TRALLAGE	L'AME BEE Ages
iii) If sales is Rs. 1,00,000 profit Rs. 10,000 and var	iable cost is 70% then P/	V ratio is
a) 70% ✓b) 30%	15 (149)	
a) 10% • b) 30%	c) 50%	d) 10%
iv) I about officional variance in automatic	ENTRY STORY	- 11/4 de 1
iv) Labour efficiency variance is expressed as		Fresh made
a) SR(SH-AH)	b) AR(SH-AH)	A 31 5 -17
✓c) SR(AH-SH)	d) AR(AH-SH)	NAME OF THE OWNER OWNER OF THE OWNER OWN
20 a.l. 1811. 11 13 13 13 13 13 13 13 13 13 13 13 13		
v) Standard costing helps in		2 STATE STATE
✓a) measuring efficiency	b) reducing losses	aldered a sol
c) increasing profit	d) controlling prices	Cicl seeming
vi) Liquid ratio comprises		200 I
✓a) CA to CL	b) CA minus stock to (\
c) CA to liquid liabilities	d) None of the sec	AL INTERNAL INTO A
of of the inquire liabilities.	d) None of these	er sed noticide.
vii) Increase in share premium account results in a	This has a company	grid to beginned :
(a) source of fund	b) application of fund	Brit investeds in an account
✓a) source of fund c) income	b) application of fund	u arabot M tampa
symboline is	WING CHIMIN	
iii) Cash flow statement is prepared as per	All I all of the Art	A PARIL (SE SES
iii) Cash flow statement is prepared as per	A CONTRACTOR	rd Mid. 719, paget
a) AS-1 b) AS-2	√c) AS-3	45.40.4
	√ c) AS-3	0) AS-4
A high debt equity ratio indicates	Professor.	Thaterogas 1 j
a) high equity in relation to debt		Contact of the second of the second
✓c) high risk	b) riigit short term deb	t in relation to deb
	d) none of these	
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on are the art as of serious and

- x) production budget is a /a) functional budget b) expenditure budget has a window white c) master budget d) none of these xi) The current ratio of a firm is 5:3. Its net working capital is Rs. 20,000. The value of current assets well be a) Rs. 30,000 b) Rs. 50,000 c) Rs. 20,000 d) Rs. 60,000 Man with the Group - B (Short Answer Type Questions) From the following information calculate (i) Current Assets (ii) Current Liabilities (iii) Inventory ALCOHOL: BUILD Current Ratio = 2.8 000 Liquid Ratio = 1.5 000.01 Working Capital = Rs. 90,000 See Topic: FINANCIAL STATEMENTS, Short Answer Type Question No. 11. Differentiate between standard costing and budgetary control. See Topic: STANDARD COSTING AND VARIANCE ANALYSIS, Short Answer Type Question No. 1. dwide in a side inve
 - Auto parts Ltd., has an annual production of 90,000 units for a motor component. The component cost structure is as below Depreciation on class

STORES AND SOUR	Adh	Rs.
s gent en dinne	Materials	270 per unit
22.0 34.0 11.0	Labour (25% fixed)	180 per unit
	Expenses:	s and to divide a number
	Variable	90 per unit
distant cultur	. Fixed	135 per unit
For a service	Total	676 per unit

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The purchase manager has an offer from a supplier who is willing to supply the component at Rs. 540. Should the component be purchased from outside or manufactured internally? See Topic: ABSORPTION AND MARGINAL COSTING, Short Answer Type Question No. 7.

- it is the whole or and to blook take I within a shade it take, or works ent with 5. What do you mean by planning and performance budgeting? See Topic: BUDGETING FOR PROFIT PLANNING AND CONTROL, Long Answer Type Question No. 11 (b).
- 6. What is meant by a responsibility center? Identify the responsibility center of a management college.

See Topic: BUDGETING FOR PROFIT PLANNING AND CONTROL, Short Answer Type Question No. 6.

Group - C (Long Answer Type Questions)

7. Following is the balance sheet of AB Ltd. for the year ended 2013 and 2014. Prepare a cash flow statement for 2014. in his servery to the destination as a servery

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Liabilities	2013 (Rs.)	2014 (Rs.)	ASSET	2013 (Rs.)	2014 (Rs.)
Equity Share Capital	2,00,000	2,50,000	Goodwill	50,000	45,000
9% Preference Capital	60,000	40,000	Land & building	80,000	55,000
Capital reserve	23L 60	10,000	Plant & Machinery	90,000	1,60,000
General Reserve	15,000	20,000	Furniture	12,000	10,000
P&LA/c	25,000	40,000	Trade Investment	10,000	45,000
Sundry Creditor	28,000	52,000	S/Debtors	32,000	25,000
Bills Payable	8,000	10,000	Stock	64,000	45,000
O/expenses	4,000	3,000	B/Receivable	10,000	35,000
Proposed Dividend	18,000	25,000	Cash in hand	10,000	25,000
Provision for taxation	20,000	24,000	Cash at bank	15,000	26,000
	of the second state of	ES e company	Preliminary expenses	5,000	3,000
Total	3,78,000	4,74,000	Total	3,78,000	4,74,000

- (i) An interim dividend of Rs. 10,000 has been paid in 2014.
- (ii) Rs. 2,000 has been received as dividend on trade investments.
- (iii) A price of land has been sold out in 2014 and remaining has been revalued, profit on sale and revaluation being transferred to capital reserve.
- (iv) Depreciation on plant and machinery has been written off Rs. 15,000 in 2014 and no depreciation has been charged on land and building.
- (v) A machinery was sold for Rs. 18,000 (wdv being Rs. 20,000) and no furniture has been sold during the year 2014.

See Topic: FINANCIAL STATEMENTS, Long Answer Type Question No. 17.

8. Hyundai Motor India Ltd. is planning to implement a standard costing system in their Sriperumbudur plant. List the variance with logical analysis they may require to assess the performance of the plant.

See Topic: STANDARD COSTING AND VARIANCE ANALYSIS, Long Answer Type Question No. 4.

From the following particular prepare a monthly Cash budget for the quarter ended 31st March 2015.

Month (Rs.)	Sales v (Rs.)	Purchase (Rs.)	Wages (Rs.)	Expenses (Rs.)
November	50,000	10,000	20,000	4,000
December	60,000	20,000	20,000	4,000
January	40,000	30,000	22,000	5,000
February	50,000	20,000	22,000	5,000
March	60,000	10,000	24,000	5,000

Others information

studies its

- (i) Cash in hand as on 1st January 2015 Rs. 20,000
- (ii) Credit allowed to debtors on an average 1 month. But 50% debtors will make payment on the due date while the rest will make payment one month thereafter.
- (iii) Credit from Creditors: 2 months.

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FINANCIAL MANAGEMENT-II

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Wages to be paid twice in a month on the 1st and 16th respectively. Expenses are generally paid within the month at a photo in the second of the second of

A part of plant costing Rs. 10,000 will be installed in March on payment of 25% of the cost in

BUDGETING FOR PROFIT PLANNING AND CONTROL, Long-Answer Type Question er virtuit principal manto utantin material soft.

the expenses budgeted for production of 10,000 units in a factory is furnished below:

1		ry is fulfillshed below.	
١	Direct Material	Per Unit (Rs.)	
9.	Direct Labor Description of a language of the part of the language of the part of the language	70 air.	W free
j	Variable Production Overhead	1 01 1 a 25 a 1 1 1 1 5 a	chillia.
1	Variable Production Overhead Fixed Production Overhead (Rs. 1,00,000) Direct Expenses	de 20 /g . 35	
đ	Direct Expenses	nd 10 d	ľ
	Selling Expenses (10% fixed)	<u>nus e 5,5 oner</u> pa o	É
	1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	110 St. 1-18 (5	i.
	Administration Expenses (Rs. 50,000 fixed)	, r F	43
1	Total Cost of Sales per unit	155 A) 11 4
•	Elevible hudget for production of (-) a con	TILL IDO ET L	

Prepare a Flexible budget for production of (a) 6,000 units and (b) 8,000 units (showing distinctly Marginal Cost and Total Cost). va Paymint of Excise Subsi

Set Topic: BUDGETING FOR PROFIT PLANNING AND CONTROL, Long Answer Type Question No. 8.

- podernaka za posmnokih rozubili in mi abnih bi se sina A . 11. Write short notes on any three of the following:
 - a) Angle of incidence
 - b) Absorption costing system
 - c) Tools of management accounting
 - d) Semi variable cost
 - e) Cash Flow Statement
- a) See Topic: ABSORPTION AND MARGINAL COSTING, Long Answer Type Question No. 5(f).
- b) See Topic: ABSORPTION AND MARGINAL COSTING, Long Answer Type Question No. 5(g).
- c) See Topic: MANAGEMENT ACCOUNTING, Long Answer Type Question No. 2.
- 4) See Topic: ABSORPTION AND MARGINAL COSTING, Long Answer Type Question No. 5(h).
- e) See Topic: FINANCIAL STATEMENTS, Long Answer Type Question No. 22 (c).