(Please write your Exam Roll No.) Exam Roll No. ....

END TERM EXAMINATION

THIRD SEMESTER [BBA] DEC.2014 – JAN. 2015

Paper Code: BBA-207 BBA(TTM)-207 BBA(B&I)-207	Subject: Management Accounting

Time: 3 Hours **Maximum Marks: 75**

Note: Attempt any five questions.

Q1 Write short notes on the following:- **(3x5=15)**
(a) Difference between cost and Financial accounting
(b) Zero base budgeting
(c) Margin of safety
(d) Funds flow statement
(e) Capital and Revenue expenditure

Q2 Define Management Accounting. Discuss the objectives, scope and limitations of it. **(15)**

Q3 The balance sheet of XYZ Ltd. Is given as under for the year ending 31 March, 2013:

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Equity Share Capital	3,00,000	Goodwill	2,00,000
Reserve Fund	1,50,000	Land & building	3,00,000
8% Debentures	2,00,000	Plant & machinery	2,50,000
Mortgage Loan	4,00,000	Patents	50,000
Sundry creditors	50,000	Stock	1,50,000
Bills Payable	25,000	Sundry Debtors	1,00,000
Bank Overdraft	40,000	Bills Receivable	80,000
Outstanding Expenses	10,000	Marketable securities	18,000
Tax Liabilities	15,000	Cash balance	40,000
		Prepaid expenses	2,000
	11,90,000		11,90,000

Purchases are Rs. 3,00,000 and Sales are Rs. 5,00,000
From the information calculate: **(15**
(a) Current Ratio
(b) Acid test Ratio
(c) Inventory Turnover Ratio
(d) Average Collection Period
(e) Debtors Turnover Ratio
(f) Creditors Turnover Ratio
(g) Average Payment Periods
(h) On the basis of the above analysis also, comment on the cash management of the firm.

Q4 Prepare cash flow statement as per accounting standard 3 (AS3) using imaginary figures with indirect method. **(15)**

Q5 Define budgetary control. State its objectives. Explain the process by which various budgets are prepared. Distinguish between fixed budget and flexible budget. **(15)**

Q6 "Variances should be interpreted with consideration of the care with which estimates or standards have been set, and of the tightness of the standard". Explain this statement with reference to standards for material costs. **(15)**

Q7 From the following data, calculate- **(15)**
(a) P/V Ratio
(b) Profit when sales are Rs. 20,000 and
(c) New Break-even point if selling price is reduced by 20%
Fixed expenses = Rs. 4,000, Breakeven point = Rs. 10,000

Q8 Write short notes on the following:- **(15)**
(a) Responsibility accounting (b) DUPONT Analysis

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