

Vidya Vikas Mandal's
Shree Damodar College of Commerce & Economics, Margao-Goa
SY BCA, Semester-III, Semester End Examination, October 2019
Management Accounting (BCA 303)

Duration: 2 Hours

Total Marks: 50

Instructions:i) Question 1-5 are compulsory (Internal choice is provided).

ii) Start each question on a fresh page.

iii) Use of simple calculator is permitted.

iv) Figures to the right indicate full marks.

Q.1.A. Fill in the blanks.

(5 x 1=5 Marks)

1. Sales – Variable cost = _____

2. Contribution ÷ Sales = _____

3. Desired Sales = _____

4. Composite P/V ratio = _____

5. _____ is the act of deciding in advance about the financial activity necessary for the concern to achieve its primary activity.

Q.1.B. Write one line answer on any 5 of the following

(5 x 1= 5 Marks)

a. Master budget.

b. Cash budget

c. Government budget.

d. Capital budget.

e. Functional budget

f. Miscellaneous budget

Q2. A.i State any 2 advantages and 2 disadvantages of marginal costing?

(4 Marks)

ii The sales turnover and profit during 2 years were as follows:

(6 Marks)

| YEAR | SALES | PROFIT |
|------|----------|--------|
| 2010 | 1,40,000 | 15,000 |
| 2011 | 1,60,000 | 20,000 |

You are required to calculate by applying marginal costing equations :

1. P/V ratio

2. Sales required to earn a profit of Rs 40,000.

3. Profit when sales are Rs 1,20,000.

4. Find out break even analysis

OR

Q2. B.i State any eight characteristics of marginal costing.

(4 Marks)

E. Calculate the below using marginal costing formula.

(6 Marks)

| PARTICULAR | 2017 PY | 2018 CY |
|------------|----------|----------|
| SALES | 7,00,000 | 8,50,000 |
| PROFIT | 60,000 | 4,00,000 |

CALCULATE:

1. Cal P/V ratio
2. Sales required to earn a profit of Rs 2,25,000
3. Profit required when sales are Rs. 50,000.
4. find out break even analysis.

Q3. A. i Explain Break Even Point with the help of a diagram and state its advantages and disadvantages?

(5 Marks)

ii Explain Margin of safety with a help of a diagram and give an appropriate example?

(5 Marks)

OR

Q3. B.i Explain Break Even Analysis with the help of a diagram and state its characteristics.

(5 Marks)

ii Explain Angle of incidence with a help of a diagram and give an appropriate example?

(5 Marks)

Q4. A. The following information is given at 50% capacity level. Prepare flexible budget and forecast at 60%, 70%, and 90% capacity level.

(10 Marks)

At 50% capacity level the information is as follows:

| PARTICULARS | Amount Rs |
|--------------------------------------|-----------|
| <u>FIXED EXPENSES</u> | |
| Salaries | 80,000 |
| Rent and Taxes | 70,000 |
| Depreciation | 90,000 |
| Administrative Expenses | 80,000 |
| <u>VARIABLE EXPENSES</u> | |
| Materials | 8,00,000 |
| labour | 3,50,000 |
| Other expenses | 50,000 |
| <u>SEMI-VARIABLE EXPENSES</u> | |
| Repairs | 4,00,000 |
| Indirect labour | 2,50,000 |
| Others | 60,000 |

Additional information:

- i. It is estimated that Fixed expenses will remain constant at all capacity levels.
- ii. Semi-Variable expenses will not change between 45% to 60%. But it will rise by 10% between 60% & 75% capacity level and there will be further increase of 5% when capacity crosses 75%.
- iii. Estimated sales at various levels of capacity are

| CAPACITY | SALES |
|----------|-----------|
| 60% | 13,56,000 |
| 70% | 22,00,000 |
| 90% | 10,00,000 |

OR

Q4. B. Prepare Cash Budget from the following data for 4 months from 1/3/2019. **(10 Marks)**

| MONTH | CREDIT SALES | PURCHASES | WAGES |
|----------|--------------|-----------|--------|
| February | 1,80,000 | 1,24,800 | 12,000 |
| March | 1,92,000 | 1,44,000 | 14,000 |
| April | 1,08,000 | 2,43,000 | 11,000 |
| May | 1,74,000 | 2,46,000 | 10,000 |
| June | 1,26,000 | 2,68,000 | 15,000 |

ADDITIONAL INFORMATION:

- 1) 50% to credit sales are realized in the month following the sales and the remaining 50% in the second month following.
- 2) Creditors are paid in the month following the month of purchase.
- 3) Wages are paid in the month itself.
- 4) Cash at bank on 1/3/2019 Rs 35,000.

Q.5.A Explain the general Principles of Management Reporting?

(10 Marks)

OR

Q.5.B. Explain the Different kinds of Reports with the help of a diagram?

(10 Marks)