

2008000206030001
EXAMINATION FEBRUARY-MARCH 2024
BACHELOR OF COMMERCE (HONORS)
(SIXTH SEMESTER)
MANAGEMENT ACCOUNTANCY – VIII- LEVEL 3

[Time: As Per Schedule]

[Max. Marks: 50]

Instructions:

1. Fill up strictly the following details on your answer book

- a. Name of the Examination : **BACHELOR OF COMMERCE (HONORS)(SIXTH SEMESTER)**
 - b. Name of the Subject : **MANAGEMENT ACCOUNTANCY – VIII – LEVEL 3**
 - c. Subject Code No : **2008000206030001**
2. Sketch neat and labelled diagram wherever necessary.
 3. Figures to the right indicate full marks of the question.
 4. All questions are compulsory.

Seat No:

--	--	--	--	--	--

Student's Signature

Q.1 (A) From the following information find out materials variances: 4

Particulars	Standard	Actual
Quantity	200 kg.	240 kg.
Price	Rs.2 per kg.	1.75 per kg.

(B) Explain the advantages of Zero Based Budgeting. 4

(C) Indicate whether each of the following transactions would be a source or application or will not affect funds. 2

- i) Sale of old furniture for cash.
- ii) Received cash from customer.
- iii) Purchase of a plant on credit.
- iv) Goods returned to the supplier.

Q.2 The balance sheets of Reeva ltd.as on 31-3-2022 and 31-3-2023 are as under.

14

Particulars	31-3-2022 RS.	31-3-2023 RS.
I EQUITY AND LIABILITIES:		
(1) Shareholders' Funds:		
(a) Share Capital		
Equity Share of Rs.100 each	1,00,000	1,50,000
(b) Reserves and Surplus:		
General Reserve	60,000	20,000
Profit and Loss A/C	10,000	12,000
(2) Non-Current Liabilities:		
(a) Long Term Borrowings:10%		
Debentures	-	50,000
(3) Current liabilities:		
(a) Trade payable: Creditors	45,000	51,000
(b) Short Term Provisions:		
Provision for Taxation	15,000	17,000
Total	2,30,000	3,00,000

II ASSETS:		
(1) Non-Current Assets:		
(a) Fixed Assets:	1,30,000	2,23,000
(b) Non-Current Investments:		
Trade Investment	15,000	12,000
(c) Other Non-Current Assets:		
Preliminary Expenses	8,000	6,000
(2) Current Assets:		
(a) Inventories: Stock	10,000	15,000
(b) Trade Receivables: Debtors	55,000	35,000

(c) Cash and Cash Equivalents: Cash and Bank balance	12,000	9,000
Total	2,30,000	3,00,000

Additional Information:

- (1) On 1-4-22 bonus shares for every two shares at one share for every two shares were issued by capitalizing general reserve.
- (2) Income tax of Rs.14000 was paid during the year.
- (3) Interim dividend of Rs.9000 was paid during the year.
- (4) Depreciation Rs. 5000 was provided on fixed assets.
- (5) Investments costing Rs. 5000 were sold at a profit of Rs. 1,000 and the profit was credited to profit and loss account.

From the above information prepare a Statement of Source and Application of Funds and Statement showing charges in Working Capital.

Q.3 (A) Find out necessary variances from the following information. 7

Standard cost per unit:	
Materials: 5kg	Rs.50
Wages Cost of 20 hours	Rs.10
	Rs.60

For the actual production of 500units, 2.7 metric tons of materials of Rs. 25,650 was used and wages of Rs.6050 for 11,000 hours were paid, which includes 20 hours of idle time due to machine breakdown.

(B) A, B, C Ltd had prepared a budget for the production of 1,00,000 units of a certain commodity as under:

7

Particulars	Rs.
Raw Materials	2,52,000
Direct Labour	75,000
Direct Expenses	10,000
Works Overheads (60% fixed)	2,50,000
Administration Overheads (80% fixed)	40,000
Selling Overheads (50% fixed)	20,000

The actual production during the period was only 60,000 units. Prepare Revised Budget and also show cost per unit.

Q.4 Write Short Note: (Ant Two)

12

- 1.Objectives of Budgetary Control
2. Characteristics of Flexible Budget
- 3.Responsibility Accounting
4. Funds Flow Statement.
