Name:

Enrolment No:

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES

End Semester Examination, May 2019

Course: BBA- (AIS) Advanced Management Accounting **Semester: IV**
Course Code: FINC 2007
Programme: BBA (AIS **)**
Time: 03 Hours **Max. Marks: 100**
Instructions: **ATTEMP ALL QUESTIONS**

SECTION A (Short Theory) 40 Marks

		Marks	CO
Q1.	What is Activity Based Costing & State the areas in which Activity Based Information is used in Decision Making?	**10**	**CO1**
Q2.	Describe the assumptions underlying Cost –Volume Profit Analysis?	**10**	**CO1**
Q3.	Distinguish between “Accounting break even, cash break even & Financial Break Even by taking hypothetical example.	**10**	**CO2**
Q4.	Write short note on “ Zero base review in the context of Budgeting”.	**10**	**CO1**

SECTION B (Long Numerical) 30 Marks

		Marks	CO
Q5	The following figures are related to 2018-19 Direct Material Rs. 205000 Direct Labour Rs.75000 Fixed Overheads Rs.60000 Variable Overheads Rs.100000 Sales Rs.500000 Calculate: Break Even Point, Margin of safety, Profit if desired sales is Rs.750000.	**10**	**CO3**
Q6	From the data calculate : (i) Gross Profit Ratio (ii) Net Profit Ratio (iii) Return on Total Assets (iv) Inventory Turnover (v) Working Capital Turnover (vi) Net worth to Debt Sales 25,20,000 Other Current Assets 7,60,000 Cost of sale 19,20,000 Fixed Assets 14, 40,000 Net profit 3,60,000 Net worth 15,00,000 Inventory 8,00,000 Debt. 9,00,000 Current Liabilities 6,00,000	**10**	**CO2, 3**
Q7	The Chennai Machinery & Co. manufactured and sold 1000 calculators last year at a price of Rs.800 each. The cost structure of a calculator is as follows. Rs.	**10**	**CO2**

Material	200
Labour	100
Variable cost	50
Marginal cost	350
Factory overhead (Fixed)	200
Total cost	550
Profit	250
Sale price	800

Due to heavy competition, price has to be reduced to Rs. 750 for the coming year. Assuming no change in costs, state the number of calculators that would have to be sold at the new price to ensure the same amount of total profits as that of the last year.

SECTION-C (Case Let)

Marks **CO**

Q8. The owner has made the following sales forecast for the first 5 months of the coming year.

Jan	Feb	March	April	May
40000	45000	55000	60000	50000

Other data are as follows:

1. Debtors & creditors balances at the beginning of the year are Rs. 30000 & Rs. 14000 respectively.
2. The balance of the other relevant assets & liabilities are:

Cash balance	7500
Stock	51000
Accrued sales commission	3500

3. 40 % sales are on cash basis. Credit sales are collected in the month following sale.
4. COGS is 60% of sales
5. Charge 5% commission to sales agent. The sales comm. Is paid in month after it is earned.
6. Inventory is kept equal to sales requirement for the next two months budgeted sales
7. Trade creditors are paid in the following month after purchases.
8. Fixed cost are Rs. 5000 per month including Rs. 2000 as depreciation.

Prepare cash budget for the coming first 3 months.

30

CO4, 5

Name: **Enrolment No:**	UPES

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Instructions: **ATTEMP ALL QUESTIONS**

SECTION A (Short Theory) 40 Marks

		Marks	CO
Q1.	What are the objectives of Activity Based Costing?	**10**	**CO1**
Q2.	What is Break even analysis?	**10**	**CO1**
Q3.	Distinguish between "Accounting break even, cash break even & Financial Break Even by taking hypothetical example.	**10**	**CO2**
Q4.	Write short note on " Zero base review in the context of Budgeting".	**10**	**CO1**

SECTION B (Long Numerical) 30 Marks

		Marks	CO
Q5	The following figures are related to 2018-19 SP P/U Rs.20 VC P/U Rs.15 Fixed O/H Rs.20000 If sales are 20% ABOVE Break even point, determine the net profit?	**10**	**CO3**
Q6	From the data calculate : (i) Gross Profit Ratio (ii) Net Profit Ratio (iii) Return on Total Assets (iv) Inventory Turnover (v) Working Capital Turnover (vi) Net worth to Debt Sales 25,20,000 — Other Current Assets 7,60,000 Cost of sale 19,20,000 — Fixed Assets 14, 40,000 Net profit 3,60,000 — Net worth 15,00,000 Inventory 8,00,000 — Debt. 9,00,000 Current Liabilities 6,00,000	**10**	**CO2, 3**
Q7	Differentiate between Fund flow and cash flow statement and its objective for preparation?	**10**	**CO2**

SECTION-C (Case Let)

<table>
<tr><th></th><th></th><th>Marks</th><th>CO</th></tr>
<tr><td>Q8.</td><td>
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9. Debtors & creditors balances at the beginning of the year are Rs. 30000 & Rs. 14000 respectively.
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