8. Distinguish between the Cash Flow Statement and Fund Flow Statement. Outline the significance of Cash Flow Statement. 6+8=14

UNIT-V

9. What is Activity based costing? Discuss the steps involved in the establishment of Activity Based Costing. Also discuss the differences between traditional costing and activity based costing. 3+6+5=14

10. Write notes on any two of the following: 7x2=14
    a. Financial Forecasting
    b. Value chain Analysis
    c. Balance Scorecard

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PG Even Semester Exam, 2024

Commerce

4th Semester

COURSE NO. COM - 652

[Accounting for Managerial Decisions]

Full Marks : 70
Pass Marks : 28

Time : 3 hours

The figures in the margin indicate full marks for the questions

Answer five questions, taking one from each Unit

UNIT-I

1. What is Management Accounting? Discuss the nature and scope of Management Accounting. 2+6+6=14

2. Distinguish between Management Accounting and Cost Accounting. Also explain the functions of Management Accounting. 5+9=14

UNIT-II

3. Write notes on any two of the following: 7x2=14
    a. Performance Budgeting
    b. Zero-base Budgeting

Turn over

c. Fundamental aspects of Responsibility Accounting.

4. From the following budget data, forecast the cash position at the end of January, February and March 2024. 14

Month	Sales	Purchases	Wages	Miscellaneous
November	60,000	42,000	5,000	3,500
December	65,000	50,000	6,000	4,000
January	40,000	52,000	4,000	3,000
February	58,000	53,000	5,000	6,000
March	44,000	40,000	4,000	3,000

Additional information:

i. Sales: 20% realized in the month of sales, discount allowed 2%, Balance realized equally in two subsequent months.

ii. Purchase: There are paid in the following month.

iii. Wages: 25% are paid in arrear in the following month.

iv. Miscellaneous expenses are paid in a month in arrears.

v. Rent: Rs 1,000 per month paid quarterly in advance due in January.

vi. First installment of Advance tax Rs. 10,000 due on or before 15th of March.

vii Income from investment Rs. 5,000 received quarterly in January, April etc.

viii. Cash in hand Rs. 2,500 on 1st of January 2024.

UNIT-III

5. a. Mention the assumptions of break-even analysis. 5

b. Calculate the following:

i. Fixed cost

ii. The number of units to break-even

iii. The number of units to earn a profit of Rs. 80,000.

The selling price per unit is Rs. 100. The company sold in 2020 and 2021 as 14,000 and Rs. 20,000 and earned a profit of Rs. 20,000 respectively. 9

6. What is cost –volume-profit analysis? Discuss the limitations of marginal costing. Differentiate between Absorption costing and marginal costing. 3+6+5=14

UNIT-IV

7. Define cash flow statement. Classify the various categories of cash flow statement. 4+10=14