

2015

(4th Semester)

COMMERCE

Paper No. : BC-403

(Accounting for Managerial Decision)

Full Marks : 70

Pass Marks : 45%

Time : 3 hours

(PART : B—DESCRIPTIVE)

(Marks : 45)

The figures in the margin indicate full marks for the questions

1. (a) Define management accounting. How does management accounting help in managerial decision making? 2+7=9

Or

(b) Explain the characteristics and limitations of financial accounting. 4½+4½=9

2. (a) "Cost and management accounting are similar in certain respects but there are many differences between the two." Elucidate.

9

Or

- (b) Who is a management accountant? What important role does he play in the organization? 3+6=9

3. (a) What is marginal costing? State its application in managerial decision making. 2+7=9

Or

- (b) State the uses and assumptions of break-even analysis. 4½+4½=9

4. (a) What is ratio analysis? Differentiate between Horizontal analysis and Vertical analysis. 4+5=9

Or

- (b) The following details are available from a company :

	31.12.2003	31.12.2004
	₹	₹
Share Capital	70,000	74,000
Debentures	12,000	6,000
Reserves for Doubtful Debts	700	800
Trade Creditors	10,360	11,840
Profit & Loss A/c	10,040	10,560
	<u>1,03,100</u>	<u>1,03,200</u>

(3)

	31.12.2003	31.12.2004
	₹	₹
Cash	9,000	7,800
Debtors	14,900	17,700
Stock	49,200	42,700
Land	20,000	30,000
Goodwill	10,000	5,000
	<u>1,03,100</u>	<u>1,03,200</u>

In addition, you are given :

- (i) Dividend paid total—₹ 3,500
- (ii) Land was purchased for ₹ 10,000
- (iii) Amount provided for amortization of goodwill—₹ 5,000
- (iv) Debentures paid off—₹ 6,000

Prepare Cash Flow Statement.

9

5. (a) Explain the various types and methods of reporting. $4\frac{1}{2}+4\frac{1}{2}=9$

Or

- (b) How is reporting done at various levels of management? Explain. 9
