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(4th Semester)

COMMERCE

Paper : 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) Explain the meaning and functions of Financial Accounting. 2+7=9

Or

- (b) What are the objectives of Financial Accounting? State the advantages of Financial Accounting. 4+5=9

2. (a) "Management Accounting aims at providing financial results of the business to the management for taking decision." Explain the statement by bringing out the importance of Management Accounting. 9

Or

- (b) Who is a Management Accountant? What important role does he play in the organization? 2+7=9

3. (a) What is break-even analysis? State the assumptions and uses of break-even analysis. 2+4+3=9

Or

- (b) The sales turnover and profit during two years were as follows :

| Year | Sales (₹) | Profit (₹) |
|------|-----------|------------|
| 2019 | 1,40,000 | 15,000 |
| 2020 | 1,60,000 | 20,000 |

You are required to calculate (i) P/V ratio, (ii) sales required to earn a profit of ₹ 40,000 and (iii) profit when sales are ₹ 1,20,000. 3+3+3=9

4. (a) What is meant by analysis of financial statement? Explain the different methods used for the analysis and interpretation of financial statement.

2+7=9

Or

- (b) The Income Statements of a concern are given for the year ending on 31st December, 2019 and 2020. Rearrange the figures in a comparative form and comment on the profitability position of the concern :

5+4=9

| | 2019 ₹ ('000) | 2020 ₹ ('000) |
|--------------------------|------------------|------------------|
| Net Sales | 785 | 900 |
| Cost of Goods Sold | 450 | 500 |
| Operating Expenses : | | |
| General Expenses | 70 | 72 |
| Selling Expenses | 80 | 90 |
| Non-operating Expenses : | | |
| Interest Paid | 25 | 30 |
| Income Tax | 70 | 80 |

5. (a) What is management reporting? State its objectives and explain the modes of reporting.

2+3+4=9

Or

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

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