

N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI

END-OF-SEMESTER EXAMINATIONS : MAY – 2023

B.Sc. – Comp.Sci.(Aided & SF)

MAXIMUM MARKS: 70

SEMESTER : IV

TIME : 3 HOURS

PART - III

ACCOUNTANCY FOR DECISION MAKING

SECTION – A

(10 X 1 = 10 MARKS)

(K1)

ANSWER THE FOLLOWING QUESTIONS.

MULTIPLE CHOICE QUESTIONS.

1. Accounting provides information on -----
 - a) Cost and Income
 - b) Company's tax liability
 - c) Financial conditions
 - d) All of the above
2. The carriage outward is an example of -----
 - a) Direct expenses
 - b) Indirect expenses
 - c) Indirect income
 - d) Direct income
3. The FIFO method of pricing of material issues is more suitable when -----
 - a) Material prices are falling
 - b) Material Prices are rising
 - c) Material Prices are fluctuating
 - d) None of the above
4. The fixed & variable cost classification has a special significance in the preparation of -----
 - a) Capital budget
 - b) Cash budget
 - c) Master budget
 - d) Flexible budget
5. What is the rule of thumb for a current ratio?
 - a) 1:2
 - b) 2:1
 - c) 1:1
 - d) 1:3

SHORT ANSWER.

(K2)

6. Indicate the meaning of ledger.
7. Explain the meaning of Subsidiary books.
8. Define – Cost accounting.
9. Interpret the term of management accounting.
10. Construct the meaning of Funds from Operations.

SECTION – B

(5 X 4 = 20 MARKS)

ANSWER EITHER 'a' OR 'b' IN EACH OF THE FOLLOWING QUESTIONS (K3)

11. a) Show the journal entries for the following transactions:
2020 June 1. Kumar started business with cash Rs.10000
2. Paid salary to the staff Rs.500
5. Sold goods to Krishna for cash Rs.5000
15. Purchases from Ganesan Rs.2500

(OR)

b) Examine the Trial Balance from the following balances:

	Rs.		Rs.
Capital	9000	Rent outstanding	1000
Plant and machinery	12000	Opening stock	2000
Purchases	8000	Sales return	4000
Sales	12000	Investments	14000
Sundry creditors	8000	Debtors	12000
Bank loan	22000		

12. a) Apply the following transactions in the purchases book and sales book of Mr.Pandiyan.

	2021	Rs.
Jan.	1. Purchased goods from balu	30000
	2. Sold goods to swamy	15000
	4. Bought goods from gowri	13500
	12. Sold goods to thenali	10500
	19. Sold goods to jayaraman	750
	21. Bought goods from rajesh	9000
	31. Sold goods to shanthi	900

(OR)

b) Find the Gross profit by preparing Trading Account from the following details:

	Rs.		Rs.
Opening stock	80000	Purchase returns	10000
Purchases	860000	Sales returns	316000
Freight inward	52000	Closing stock	100000
Wages	24000	Import duty	30000
Sales	1440000	Salaries	25000

13. a) Calculate the cost sheet from the following details:

Direct materials	Rs.10000	Direct labour	Rs.4000;
Direct expenses	Rs.500	Factory expenses	Rs.1500
Administrative expenses	Rs.1000	Selling expenses	Rs.300
Sales	Rs.20000		

(OR)

b) Compute the Economic Order Quantity (EOQ) from the following particulars:

Annual usage = 1600 units;

Cost of material per unit = Rs.40

Cost of placing and receiving one order = Rs.50

Annual carrying cost of one unit = 10% of inventory value.

14. a) Examine the objectives of management accounting.

(OR)

b) Show a production budget from the following data:

Type of products	Estimated opening Stock(Units)	Estimated sales (Units)	Desired closing Stock(Units)
A	8000	40000	12000
B	12000	60000	20000
C	16000	52000	12000
D	12000	48000	8000

15. a) Describe the types of ratios.

(OR)

b) Find out the debtors turnover ratio from the following information:

Annual credit sales	Rs.500000
Debtors in the beginning	Rs. 80000
Debtors at the end	Rs.100000

SECTION – C

(4 X 10 = 40 MARKS)

ANSWER ANY FOUR OUT OF SIX QUESTIONS.

(K4/K5)

16th Question is **COMPULSORY.**

16. From the following Trial Balance of Thiru.Mohan as on 31st March 2021, Examine Trading and Profit & Loss A/C and Balance Sheet taking into account the adjustments:

	Debit	Credit
	Rs.	Rs.
Capital		40000
Sales		25000
Purchases	15000	
Salaries	2000	
Rent	1500	
Insurance	300	
Drawings	5000	
Machinery	28000	
Bank balance	4500	
Cash	2000	
Stock 1.4.2019	5200	
Sundry debtors	2500	
Sundry creditors		1000
	-----	-----
	66000	66000
	=====	=====

Adjustments:

- i) Stock on 31.03.2021 was Rs.4900
- ii) Salary outstanding Rs.300
- iii) Insurance prepaid Rs.90
- iv) Rent paid in advance Rs.200

17. Analyze the Accounting concepts and conventions.

18. From the following transactions Examine Double column cash book with discount:

2022 Nov.	1.	Cash in hand	Rs.
	5.	Sold goods for cash	390
	6.	Credit purchases from Vinuram	6420
	10.	Received cash from Mohan	4350
		Discount allowed to him	4240
	14.	Paid for electricity charges	40
	16.	Bought stationery	250
	19.	Drew from bank for office use	336
	24.	Paid cash to vinuram Rs.4300 in full settlement	2800
	29.	Received cash from velan	770
		Discount allowed to him	30
	30.	Paid salaries	2000

(CONTD.....4)

19. From the following data, evaluate the value of closing stock under FIFO method:

2021 Jan.	1	opening stock	1000 units at Rs.26 each
	5	purchases	500 units at Rs.24.50 each
	7	issued	750 units
	10	purchased	1500 units at Rs.24 each
	12	issued	1100 units
	15	purchased	1000 units at Rs.25 each
	17	issued	500 units
	18	issued	300 units
	25	purchased	1500 units at Rs.26 each
	29	issued	1500 units

20. The following are the budgeted expenses for the production of 10000 units:

	Per unit (Rs.)
Direct materials	60
Direct labour	30
Variable overheads	25
Fixed overheads (Rs.150000)	15
Variable expenses (Direct)	5
Selling expenses (10% fixed)	15
Administration expenses (Rs.50000 fixed)	5
Distribution expenses (20% fixed)	5

Total cost of sales per unit	160

Construct a flexible budget for production of 12000 units

21. From the following Balance Sheets of the company, determine a schedule changes of working capital.

Liabilities	2018	2019	Assets	2018	2019
	Rs.	Rs.		Rs.	Rs.
Share Capital	300000	400000	Plant & Machinery	50000	60000
Sundry Creditors	100000	70000	Furniture	10000	15000
Profit & Loss A/c	15000	30000	Stock	85000	105000
			Debtors	160000	150000
			Cash	110000	170000
-----	415000	500000	-----	415000	500000
=====	=====	=====	=====	=====	=====
