

**(FOR THE CANDIDATES ADMITTED
DURING THE ACADEMIC YEAR 2023 ONLY)**

23UBM410

REG.NO. :

**N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI
END-OF-SEMESTER EXAMINATIONS : MAY - 2025**

B.B.A

IV SEMESTER

**MAXIMUM MARKS: 75
TIME : 3 HOURS**

PART - III
COST AND MANAGEMENT ACCOUNTING
SECTION – A **(10 X 1 = 10 MARKS)**

ANSWER THE FOLLOWING QUESTIONS.

MULTIPLE CHOICE QUESTIONS.

(K1)

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES.

(K2)

6. Define Cost center.
7. Construct the meaning of absorption cost.
8. Define sales budget.
9. Indicate the sources of cash flow in a cash flow statement.
10. Construct a basic current ratio formula.

SECTION – B **(5 X 5 = 25 MARKS)**

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

11. a) Examine the objectives of cost accounting.
(OR)

b) Find the cost of production from the following information calculate the cost of production
Rs.

Direct material	90,000
Direct Labour	32,000
Direct Expenses	9,000
Factory overheads	25,000
Office and administration overheads	18,000

12.a) Describe the limitations of Management Accounting.
(OR)

b) Differentiate between Management Accounting and Financial Accounting.
(CONTD.....2)

13.a) Describe the disadvantages of Budgetary control.

(OR)

b) Explain the uses of sales budget.

14.a) You are given the following information of a company. Compute Statement of changes in capital.

Particulars	2009(Rs.)	2010(Rs.)
Assets:		
Cash	3,000	4,700
Accounts receivable	12,000	11,500
Land	5,000	6,600
Stock	8,000	9,000
Liabilities:		
Accounts payable	7,000	4,500
Capital	20,000	25,000
Retained earnings	1,000	2,300
	28,000	31,800

(OR)

b) Examine the uses of Cash flow statement.

15.a) Apply the ratio analysis to assess the financial performance of a company

(OR)

b) Cash Rs.18,000, Closing stock = Rs.1,80,000, Creditors= Rs.75,000,Debtors = Rs.1,42,000, Bills Payable= Rs.27,000 and Outstanding expenses= Rs.15,000

From the above information determine: Current ratio

SECTION – C

(5 X 8 = 40 MARKS)

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

(K4 (Or) K5)

16. a) Discuss the Advantages and Limitations of cost accounting.

(OR)

b) Following information has been obtained from the records of left center corporation for the period from June 1 to June 30, 2018.

Cost of raw materials on June 1, 2018	30,000
Purchase of raw materials during the month	4,50,000
Wages paid	2,30,000
Factory overheads	92,000
Cost of work in progress on June 1, 2018	12,000
Cost of raw materials on June 30, 2018	15,000
Cost of stock of finished goods on June 1, 2018	60,000
Cost of stock of finished goods on June 30, 2018	20,000
Sales	9,00,000
Administration overheads	55,000

Prepare a statement of cost.

17.a) Compare marginal costing with absorption costing.

(OR)

b) Differentiate between cost and Management accounting.

(CONTD...3)

18. a) Compute a flexible budget for overheads on the basis of following data. Ascertain overhead rates at 50%, 60% and 70% capacity.

Particulars	At 60% capacity (Rs.)
Variable overheads	
Indirect materials	6,000
Indirect labour	18,000
Semi-variable overheads	
Electricity (40% fixed, 60% variable)	30,000
Repairs (80% fixed, 20% variable)	3,000
Fixed overheads	
Deprecation	16,500
Insurance	4,500
Salaries	15,000
Total overheads	93,000
Estimated direct labour hours	1,86,000

(OR)

b) Prepare a cash budget from the following information for the three months commencing 1st April 2021. On which date was the cash balance Rs.5000?

Month	Purchases (Rs)	Sales (Rs)	Expenses (Rs)
February	40000	80000	7200
March	45000	85000	7500
April	38000	78000	8000
May	42000	84000	9000
June	50000	95000	10500

Additional information:

- Suppliers supply goods at 2 months credit.
- Debtors are given 1 month credit.
- 20% of sales constitute cash sales.
- Expenses are paid in the month following.

19.a) From the following balance sheets of Balky for the year ended 31st December 2000 and 2021, prepare schedule of changes in working capital and statement showing sources and application of fund:

Liabilities	2020 Rs.	2021 Rs.	Assets	2020 Rs.	2021 Rs.
Share Capital	3,00,000	4,00,000	Plant & Machinery	50,000	60,000
Sundry Creditors	1,00,000	70,000	Furniture and Fixtures	10,000	15,000
Profit and Loss A/c	15,000	30,000	Stocks	85,000	1,05,000
			Debtors	1,60,000	1,50,000
			Cash	1,10,000	1,70,000
	4,15,000	5,00,000		4,15,000	5,00,000

(OR)

b) From the following Balance Sheets of Arvind Ltd., you are required to prepare a cash flow statement:

Liabilities	2019 Rs.	2020 Rs.	Assets	2019 Rs.	2020 Rs.
Share Capital	4,00,000	5,00,000	Cash	60,000	94,000
Trade Creditors	1,40,000	90,000	Debtors	2,40,000	2,30,000
Profit and Loss A/c	20,000	46,000	Stock	1,60,000	1,80,000
			Land	1,00,000	1,32,000
	5,60,000	6,36,000		5,60,000	6,36,000

(CONTD...4)

20. a) Ram & company supplies you the following information regarding the year ended 31st December.

Cash sales Rs. 80,000
Credit sales Rs.2,00,000
Return inward Rs. 10,000
Opening stock Rs.25,000
Closing stock Rs.30,000
Gross profit ratio is 25%
Find out inventory turnover ratio.

(OR)

b) **Given:**

- Sales = Rs.8,00,000
- Cost of Goods Sold (COGS) = Rs.4,50,000
- Net Profit = Rs.1,20,000
- Opening Stock = Rs.50,000
- Closing Stock = Rs.60,000
- Current Assets = Rs.2,00,000
- Current Liabilities = Rs.1,50,000

Determine

- Gross Profit Ratio
- Net Profit Ratio
- Stock Turnover Ratio
- Current Ratio

ETHICAL PAPER