

B.C.A DEGREE EXAMINATION, APRIL 2020
II Year IV Semester
Cost and Management Accounting

Time : 3 Hours

Max.marks :75

Section A ($10 \times 2 = 20$) Marks

Answer any **TEN** questions

1. Define cost accounting.
2. Calculate the prime cost from the following

Opening stock of materials	Rs.2,00,000	Closing stock of materials	Rs.2,60,000
Purchase of materials	Rs.6,80,000	Direct wages	Rs.4,50,000
3. Define management accounting.
4. What is financial accounting?
5. Write the meaning of fund flow statement.
6. What is working capital?
7. Mention the meaning of cash flow statement.
8. Calculate the cash from operations from the following

Funds from operations	Rs. 2,80,000	Decrease in Stock	Rs. 23,900
Increase in Creditors	Rs. 30,000	Increase in Debtors	Rs. 5,000
9. Define marginal costing.
10. Find the gross profit ratio from the following

Sales	Rs. 5,15,000	Sales Returns	Rs. 15,000
Opening stock	Rs. 10,000	Purchases	Rs.3,00,000
Closing stock	Rs. 20,000		
11. Find the amount of sales if the cost of sales is Rs. 3,00,000 and the profit is 25% on cost.
12. Determine the creditors turnover ratio from the following

Total purchases	Rs. 5,00,000	Cash purchases	Rs. 1,50,000
Average payables	Rs. 75,000		

Section B ($5 \times 5 = 25$) Marks

Answer any **FIVE** questions

13. Explain the objectives of cost accounting.
14. State the importance of management accounting.

15. From the following information prepare a schedule of changes in working capital

Particulars	2011	2012
Cash in hand	23,000	29,000
Debtors	1,89,000	2,12,000
Stock	75,000	1,00,000
Bills Receivable	23,000	18,000
Creditors	2,00,000	2,50,000
Outstanding expenses	18,000	20,000

16. Following are the details extracted from the books of XYZ Ltd. for the years ended 31st March 2015 and 2016

Particulars	2015	2016
Bills Payable	5,000	8,000
Creditors	12,000	16,000
Outstanding expenses	2,000	1,000
Bills Receivable	20,000	18,000
Debtors	40,000	60,000
Prepaid expenses	2,000	3,000
Stock	7,000	9,000

Funds from operations amounts to Rs.2,14,000. Calculate the cash from operations.

17. Ascertain the break -even point from the following

Sales Rs.10,00,000
 Variable cost Rs.7,50,000
 Fixed cost Rs.1,00,000

18. Calculate the cost of production from the following details

Stock information: Opening Closing
 Raw Materials 25,000 40,000
 Finished goods 45,000 59,000

Other details:

Purchase of materials 1,45,000 Wages 65,000
 Factory overheads 1,00,000 Office expenses 14,000

19. Explain the differences between fund flow statement and cash flow statement.

Section C ($3 \times 10 = 30$) MarksAnswer any **THREE** questions

20. Prepare a cost sheet from the following data

Opening stock of raw materials	30,000
Purchase of raw materials	75,000
Wages paid	54,000
Direct expenses	32,000
Factory lighting	14,000
Other factory expenses	6,500
Administrative expenses	15,000
Selling and distribution expenses	14,900
Closing stock of raw materials	40,000
Sales	2,25,000

21. Explain the differences between financial accounting and management accounting.

22. Babu & Co. presents the following financial statements for 1988 and 1989.

Balance Sheet

Liabilities	1988	1989	Assets	1988	1989
Share Capital	12,00,000	12,00,000	Net Fixed assets	22,26,000	27,96,000
Reserves	13,84,000	17,28,000	Stock	8,64,000	13,66,000
Loan from bank	2,00,000	4,70,000	Debtors	6,92,000	10,56,000
Creditors	8,26,000	12,54,000	Investment	1,74,000	-
Bills Payable	4,52,000	6,28,000	Cash	1,06,000	62,000
	40,62,000	52,80,000		40,62,000	52,80,000

Depreciation of Rs.3,78,000 was written off for the year 1989 on fixed assets.
Prepare a fund flow statement.

23. Ganesh Bros. sells goods on cash and credit terms and also purchased goods on cash and credit terms. The following particulars are obtained from their books:

Total Sales	5,00,000	Cash Sales	40,000
Sales Returns	20,000	Closing Debtors	80,000
Closing Bills Receivable	20,000	Bad Debts reserve	1,000
Total Purchases	3,00,000	Cash Purchases	50,000
Purchases Returns	10,000	Closing Creditors	60,000
Closing Bills Payable	20,000	Opening Stock	50,000
Closing Stock	40,000	Gross Profit	1,00,000
Reserve for discount on creditors	2,000	Fixed assets	10,00,000

Calculate turnover ratios.

24. From the following information calculate a) P/V ratio, b) Break Even Point
c) Profit d) Margin of Safety e) Volume of sales to earn profit of Rs.6,000.

	Rs.
Total Fixed cost	4,500
Total Variable cost	7,500
Total Sales	15,000