

SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN  
(AUTONOMOUS)

(Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)  
Chromepet, Chennai - 600 044.

BCA - END SEMESTER EXAMINATIONS APRIL - 2024

SEMESTER - IV

**20UCAAT4004 - Cost and Management Accounting**

Total Duration : 2 Hrs. 30 Mins.

Total Marks : 60

### **Section B**

Answer any **SIX** questions ( $6 \times 5 = 30$  Marks)

1. Describe the elements of Cost.
2. Explain the objectives of Management Accounting.
3. Calculate funds from operations from the following particulars
  - a. Net Profit for the year ended 31.03.2000 Rs.6,50,000
  - b. Profit on sale of building Rs.40,000
  - c. Goodwill written off during the year Rs.10,000
  - d. Old machinery worth Rs.8,000 has been sold for Rs.6,500
  - e. Value of a plant Rs.5,00,000 and depreciation is provided @ 20% p.a.
4. After taking into consideration the following items X Ltd., made a Net Profit of Rs.1,00,000 for the year ended 31.03.2001 .Calculate funds from operation.

	<b>Rs.</b>
Depreciation on Buildings	4,000
Depreciation on Machinery	5,000
Provision for Taxation	10,000
Gain on sale of Buildings	8,000
Goodwill written off	5,000
Loss on sale of Machinery	10,000
Preliminary Expenses	5,000

5. From the following information, calculate
  - a. Break-even point in units
  - b. Break-even point in Rupees
 Sales Price per unit Rs.20  
 Variable Cost per unit Rs.14 per unit Fixed Cost Rs.79,200.

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6. The following information relates to Toy Gun Manufacturing Company for the 3 months ending 31<sup>st</sup> March 2007.

	Rs.
Direct Materials	18,000
Direct labour	12,000
Direct expenses	4,000
Factory overheads	6,000
Administrative overheads	4,500
Selling overheads	2,500

1,000 units of Toy Gun produced during the period and all the units produced are sold at Rs.53 per unit. Prepare a Cost Sheet.

7. From the following details, ascertain operating profit before working capital changes for the year 2002-03.

	Rs.
Interest on Investments	22,000
Profit on sale of land	60,000
Discount on issue of Debentures written off	10,000
Depreciation on Fixed Assets	90,000
Loss on sale of machinery	8,000
Patent Rights written off	15,000

Net Profit for the year 2002-03 after the above mentioned items was Rs.1,15,000.

8. Estimate the impact on Break Even Point (in units) of the following changes
- Variable cost increase by 10%
  - Variable cost decrease by 50% and fixed cost increase by 30%

Given particulars are below:

- Fixed Costs Rs.15,000
- Selling Price per unit Rs.15
- Variable cost per unit Rs.9

### Section C

Answer any **THREE** questions ( $3 \times 10 = 30$  Marks)

9. The following data relate to the manufacturing of a standard product during the month of March 2006.

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**SEMESTER - IV**  
**20UCAAT4004 - Cost And Management Accounting**

Raw materials consumed	Rs.20,000
Direct wages	Rs.12,000
Machine hours worked	1,000 hours
Machine hour rate	Rs. 2 per hour
Office overheads	20% on works cost
Selling overheads	Re.0.40 per unit
Units produced	20,000 units
Units sold at Rs.3 each	18,000 units

Prepare a cost sheet.

10. Distinguish between management accounting and financial accounting.

11. Prepare a Fund Flow Statement from the following particulars.

Balance Sheets of X Ltd., as on 31<sup>st</sup> December

<b>Liabilities</b>	<b>1987</b>	<b>1988</b>	<b>Assets</b>	<b>1987</b>	<b>1988</b>
Share Capital	2,60,000	2,00,000	Goodwill	–	20,000
Retainer Earnings	68,000	59,000	Fixed Assets (net)	2,92,000	1,79,000
Mortgages	60,000	40,000	Investments	–	20,000
Accrued Expenses	38,000	26,000	Stock	1,60,000	1,40,000
Trade Creditors	1,70,000	1,94,000	Debtors	1,08,000	1,00,000
			Cash	36,000	60,000
	5,96,000	5,19,000		5,96,000	5,19,000

12. Following are the summarized Balance Sheets of Arul Ltd., as on 31<sup>st</sup> December 2005 and 2006

<b>Liabilities</b>	<b>1987</b>	<b>1988</b>	<b>Assets</b>	<b>1987</b>	<b>1988</b>
Share Capital	1,00,000	1,50,000	Land & Building	1,00,000	90,000
General Reserve	50,000	60,000	Plant & Machinery	1,00,000	1,19,000
P & L A/c	30,500	30,000	Stock	50,000	24,000
Bank loan	70,000	–	Debtors	75,000	63,200
Creditors	50,000	37,200	Cash	500	1,000
Provision for tax	32,000	35,000	Bank	2,000	15,000
			Goodwill	5,000	–
	3,32,500	3,12,200		3,32,500	3,12,200

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### Additional Information

During the year ended 31st December 2006

- a. Dividend of Rs.23,000 was paid.
- b. Depreciation written off on building Rs.10,000 and Machinery Rs.14,000
- c. Income tax paid Rs.28,000

Prepare cash flow statement for the year ended 31<sup>st</sup> December 2006.

13. Assuming that the cost structure and selling prices remain the same in periods I and II find out
- a. Profit Volume ratio
  - b. Fixed cost
  - c. Break- even point for sales
  - d. Profit when sales are Rs.1,00,000
  - e. Sales required to earn a profit of Rs.20,000
  - f. Margin of Safety at a profit of Rs.15,000 and
  - g. Variable Cost in period II

Period	Sales	Profit
I	s.1,20,000	Rs.9,000
II	Rs.1,40,000	Rs.13,000

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