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**D.K.M.COLLEGE FOR WOMEN (AUTONOMOUS)
SEMESTER EXAMINATIONS**

APRIL - 2019

COST AND MANAGEMENT ACCOUNTING

Time : 3 Hrs

SECTION-A (10 x 2 =20)

Answer ALL the questions.

1. Define Cost Accounting.
2. Define Management Accounting.
3. What are the elements of Cost?
4. What is a Cost Sheet?
5. What is Ratio Analysis?
6. What is working capital?
7. Define Budgetary Control.
8. What is Zero base Budget?
9. What is Break Even Point?
10. Define Marginal Costing.

SECTION-B (5 x 5 =25)

Answer any FIVE of the following questions.

11. Explain the scope of Management Accounting.
12. Draw a statement of cost from the following particulars:

Opening Stock:	Materials	
	Work in Progress	
	Finished goods	
Closing Stock:	Materials	
	Work in Progress	
	Finished goods	
Material Purchased		
Direct wages		
Manufacturing expenses		

14. Calculate Funds from Operations from the following Profit and Loss A/c.

Profit and Loss Account		
Particulars	Rs.	Particulars
To Expenses paid	3,00,000	By Gross profit
To Depreciation	70,000	By Gain on sale of land
To Loss on sale of machine	4,000	
To Discount	200	
To Good will	20,000	
To Net Profit	1,15,800	
	5,10,000	

15. The Expenses Budgeted for production of 10,000 units in a factory are as follows:

Particulars	Per unit Rs.
Materials	
Labour	
Variable overhead	
Fixed overhead (Rs.1,00,000)	
Variable expenses (Direct)	
Selling expenses(10% Fixed)	
Distribution expenses (20% Fixed)	
Administration expenses (Rs.50,000) (fixed for all levels)	
Total cost per unit (to make and sell)	1

Prepare a flexible budget for the production of 8000 units.

16. What are the essentials of a good Budgetary Control System?

17. From the following figures, calculate:

- (a) Breakeven point
- (b) Margin of safety and

SECTION-C (3 x 10 =30)

Answer ALL the questions.

19. (a) From the following particulars of the AB Ltd., prepare a statement showing

- (i) The cost of materials used
- (ii) The works cost
- (iii) The total cost
- (iv) The percentage of works expenses to productive wages.

Particulars	
Stock of materials on 1 st Jan 2018	
Stock of finished goods on 1 st Jan 2018	
Purchase of raw materials	5
Productive wages	3
Sales of finished goods	12
Stock of raw materials on 31 st Dec 2018	
Works overheads charges	
Office and general expenses	
Stock of finished goods on 31 st Dec. 2018	

(Or)

(b) Explain the different tools and techniques used in Financial Statement Analysis.

20. (a) From the following balance sheets of XYZ Ltd., Prepare a Funds Flow Statement.

Balance Sheets

Liabilities	2017 Rs.	2018 Rs.	Assets	
Equity share capital	3,00,000	4,00,000	Goodwill	1,1
Pref. share capital	1,50,000	1,00,000	Buildings	2,0
General reserve	40,000	70,000	Plant	8
P & L a/c	30,000	48,000	Debtors	1,6
Proposed dividend	42,000	50,000	Stock	7
Creditors	55,000	83,000	Bills Receivable	2

(b) From the following Balance Sheet, Calculate

- (i) Current Ratio
- (ii) Liquid Ratio
- (iii) Debt – Equity Ratio
- (iv) Proprietary Ratio

Balance Sheet

Liabilities	Rs.	Assets	
Share capital	5,00,000	Fixed assets	14
Reserves	3,00,000	Stock	5
6% debentures	11,00,000	Debtors	2
Bank overdraft	1,00,000	Cash	1
Creditors	2,00,000		
	22,00,000		22

21. (a) The Sales and Profit for 2017 and 2018 are as follows:

Years	Sales (Rs.)	Profit (Rs.)
2017	1,50,000	20,000
2018	1,70,000	25,000

Find out:

- (i) P/V Ratio
- (ii) BEP
- (iii) Sales for a profit of Rs.40,000
- (iv) Profit for sales of Rs.2,50,000 and
- (v) Margin of safety at a profit of Rs.50,000.

(Or)

(b) XYZ company wishes to arrange O.D. facilities with its bankers during _____ when it will be manufacturing mostly for stock.

- (i) Prepare Cash Budget for the above period from the following data

Months	Sales (Rs.)	Purchases (Rs.)	Wages
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