

(6 pages)

S.No. 1395

19 BCCAM 9

(For candidates admitted from 2019-2021 Batch)

B.B.A. DEGREE EXAMINATION, NOVEMBER 2023.

Part III — Aviation Management — Major

COST AND MANAGEMENT ACCOUNTING

Time : Three hours

Maximum : 75 marks

PART A — (10 × 2 = 20)

Answer ALL questions.

1. What do you mean by management Accounting?
2. Distinguish between fixed cost and variable cost?
3. List the objectives of Inventory control.
4. What are the advantages of Time rate system?
5. Outline the different techniques of financial statement analysis?
6. What do you mean by liquidity ratio?
7. Distinguish between fund flow statement and cash flow statement?

8. Brief about cash from operations.
9. What do you mean by Break Even Point?
10. Highlight the importance of variance analysis.

PART B — (5 × 5 = 25)

Answer ALL questions, choosing either (a) or (b).

11. (a) Compare and contrast management Accounting and Financial Accounting.

Or

- (b) Point out the merits and demerits of cost accounting.

12. (a) From the following particulars, calculate E.O.Q. Annual requirements = 3600 kgs.

Cost of purchasing and – Rs. 1000

receiving one order

Annual carrying and storage cost – Rs. 20

Or

- (b) Explain in brief about different methods of labour remuneration.

13. (a) Determine the value of Debtors from the following details.

Debtors velocity = 50 days

Credit sales = Rs. 73,000

Or

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(b). Calculate operating ratio

Sales : Rs. 1,60,000;

Gross profit : Rs. 52,000

Operating Expense : Rs. 28,000

14. (a) You are required to prepare schedule of changes in working capital from the following info.

Balance Sheet					
Liabilities	2006 Rs.	2007 Rs.	Assets	2006 Rs.	2007 Rs.
Capital :			Fixed Assets	95,000	1,20,000
Equity shares	1,00,000	1,00,000	Investments:	—	10,000
Preference shares	—	50,000	Current Assets:		
General Reserve	30,000	40,000	Stock	40,000	60,000
Profit and Loss A/c	25,000	70,000	Debtors	20,000	40,000
Current Liabilities			Bills Receivables	5,000	2,000
Creditors	20,000	10,000	Prepaid Expenses	5,000	18,000
Bills payable	—	2,000			
Overdraft	3,000	—	Cash	20,000	10,000
Taxation provision	7,000	12,000	Advances	10,000	40,000
Propose Dividend	10,000	16,000			
	<u>1,95,000</u>	<u>3,00,000</u>		<u>1,95,000</u>	<u>3,00,000</u>

Or

- (b) Write notes on Fund flow statement.

15. (a) From the following particulars, calculate the Break Even point.

Variable cost per unit : Rs. 12

Fixed Expenses : Rs. 60,000

Selling price per unit : Rs. 18

Or

- (b) A product requires 20 kgs of material at Rs. 4 per kg. The actual consumption of material for the manufacturing of product came to 24 kgs of material at Rs. 4.50/kg. Calculate material cost variance.

PART C — (3 × 10 = 30)

Answer any THREE questions.

16. Explain in detail about classification of costs.
17. Prepare cost sheet to calculate total cost and cost per unit for manufacturing 1000 units.

Materials Rs.	Wages Rs.	Factory overheads Rs.	Office overheads Rs.	Selling overheads Rs.	Sale Rs.
20,000	18,000	2,000	5,000	5,000	50,000

18. From the following Balance sheet, prepare common size statement

Liabilities	2005 Rs.	2006 Rs.	Assets	2005 Rs.	2006 Rs.
Share capital	6,58,000	7,00,000	Cash	27,000	31,500
Long term debt	2,25,000	2,00,000	Debtors	2,20,000	2,11,000
Sundry creditors	42,000	50,000	Stock	1,00,000	1,26,000
Other liabilities	78,000	1,00,000	Prepaid Expenses	11,000	21,000
			Bills	10,000	10,500
			Receivables		
			Fixed Assets	6,35,000	6,50,000
	<u>10,03,000</u>	<u>10,50,000</u>		<u>10,03,000</u>	<u>10,50,000</u>

19. A Balance sheet of M/s Black and white as on 2003 and 2004 were as follows

Liabilities	2003 Rs.	2004 Rs.	Assets	2003 Rs.	2004 Rs.
Creditors	40,000	44,000	Cash	10,000	7,000
Mrs. White's Loan	25,000	—	Debtors	30,000	50,000
Loan from bank	40,000	50,000	Stock	35,000	25,000
Capital	1,25,000	1,53,000	Machinery	80,000	55,000
			Land	40,000	50,000
			Buildings	35,000	60,000
	<u>2,30,000</u>	<u>2,47,000</u>		<u>2,30,000</u>	<u>2,47,000</u>

During the year machine costing Rs. 10,000 (accumulated depreciation Rs.3,000) was sold for Rs.5,000. The provisions for depreciation against machinery as on 2003 was Rs.25,000 and on 2004 Rs.40,000. Net profit for the year 2004 amounted to Rs.45,000. You are required to prepare a fund flow statement.

20. Prepare a cash Budget from the following information for the month of April 2006 to June 2006

Year	Month	Sales Rs.	Purchases Rs.	Wages Rs.
2006	February	90,000	62,400	6,000
	March	96,000	72,000	7,000
	April	54,000	1,21,500	5,5000
	May	87,000	1,23,000	5,000
	June	63,000	1,34,000	7,500

- (a) 50% of credit sales are realised in the month following the sales and remaining 50% in the second month following. Creditors are paid in the month following the month of purchase.
- (b) Cash at bank on 1.4.2006 Rs. 12,500