



K. Sambal

Avinashilingam Institute for Home Science and Higher Education for Women

Deemed to be University Estd. u/s 3 of UGC Act 1956, Category A by MHRD (now MoE)

Re-accredited with A++ Grade by NAAC. CGPA 3.65/4, Category I by UGC

Coimbatore - 641043, Tamil Nadu, India

Bachelor's Degree Examination – November 2025

III Semester

Class : II UG

Major : B.Com Computer Applications

Time : 3 Hours

Max. Marks : 100

23BCCC07 Cost and Management Accounting

Course Outcomes:

CO1: Understand the basic of Cost and Management accounting

CO2: Ability to determine the cost of Products and Services

CO3: Critically analyze relevant costs and provide recommendations for decision making

CO4: Analyze the financial statements of a company

CO5: Prepare plans and budgets and analyze variances from standard cost to pinpoint areas that need control

Part A

10 x 1 = 10

Choose the Correct Answer

- The most suitable method of costing for a paint manufacturing company is CO1K1
 - Job costing
 - Contract costing
 - Process costing
 - Unit costing
- EOQ stands for CO1K2
 - Estimated Order Quantity
 - Economic Order Quantity
 - Expected Operating Quantity
 - Efficient Order Quotient
- Halsey Plan is related to CO2K2
 - Material costing
 - Labour remuneration
 - Overhead allocation
 - Inventory control
- Time wages are calculated based on CO2K1
 - Number of units produced
 - Time spent at work
 - Overheads incurred
 - Cost of raw materials
- Current Ratio is calculated as CO3K2
 - Fixed Assets / Current Liabilities
 - Current Liabilities / Current Assets
 - Current Assets / Current Liabilities
 - Working Capital / Total Assets
- A Common-size statement expresses items as a percentage of CO3K1
 - Market share
 - Net sales or total assets
 - Tax paid
 - Stock turnover
- If the contribution is Rs.60,000 and fixed cost is Rs.40,000, the profit is CO4K1
 - Rs. 20,000
 - Rs.40,000
 - Rs. 60,000
 - Rs.100,000
- Which of the following is not a type of functional budget? CO4K2
 - Sales budget
 - Production budget
 - Balance sheet
 - Cash budget
- The point at which total cost equals total revenue is known as CO5K1
 - Margin of Safety
 - Contribution
 - Break Even Point
 - Operating Profit
- Which of the following budgets is NOT typically a part of budgetary control? CO5K2
 - Sales Budget
 - Cash Budget
 - Payroll Budget
 - Trading Budget

Part B
Answer ALL questions

5 x 6 = 30

Each answer should not exceed 400 words or two pages

11.a. State the objectives of cost accounting CO1K2
(or)

11.b. M/s. Indhu Industries Ltd., are the manufactures of moonlight Torches. The following data relate to manufacture of torches during the month of March 2023. CO1K4

Raw materials consumed	Rs.20,000
Direct Wages	Rs. 12,000
Machine hours worked	9,500 hours
Machine hour rate	Rs.2
Office overheads	20% of works cost
Selling overheads	50 paise per unit
Units produced	20,000 units
Units sold	18,000 @ Rs.5 per unit

Prepare the cost sheet

12.a. Calculate the number of employees in the beginning and at the end of the year from the following: CO2K3

Labour Turnover rate is 3%

Number of separations during the year 15

Numbers of employees at the end were 100 in excess of the number of employees in the beginning.

(or)

12.b. Explain the methods of calculating overhead absorption CO2K3

13.a. Calculate the trend percentages from the following figures of Good Luck Ltd taking 2016 as the base year CO3K4
(Rs. in Lakhs)

Year	Sales	Stock	Profit
2016	3,762	1,418	642
2017	4,680	1,562	870
2018	5,310	1,632	916
2019	6,042	1,888	1,054
2020	7,536	2,308	1,344

(or)

13.b. Explain the important features of financial statement analysis CO3K3

14.a. Calculate funds from operations from the following information. CO4K4

Particulars	Rs.	Particulars	Rs.
Salaries	5,000	Profit on sale of Land	5,000
Rent	3,000	Closing balance of P&L A/c	60,000
Depreciation on Plant	5,000	Dis. on issue of debentures	2,000
Provision for Tax	4,000	Provision for bad debts	1,000
Loss on sale of plant	2,000	Preliminary exp. Written off	3,000
Op balance of P&L A/c	25,000	Proposed dividend	6,000
Transfer to General Reserve	1,000		
Goodwill written off	2,000		

(or)

14.b. From the following comparative Balance Sheets of TN Ltd. Prepare the cash flow statement. CO4K4

Liabilities	31.12.98	1.1.98		31.12.98	1.1.98
	Rs.	Rs.		Rs.	Rs.
Share capital	38,000	36,000	Cash	8,000	12,000
Trade creditors	10,000	8,000	Trade debtors	38,000	31,000
Bills payable	5,200	4,800	Land and building	12,400	10,000
P&L App. A/c	7,000	5,800	Patent right	1,800	1,600
	60,200	54,600		60,200	54,600

15.a. A company produces 500 units at a variable cost of Rs.200 per unit. The price is Rs.250 per unit and there is fixed expenses of Rs.12,000 per month. Calculate Break-even point in terms of both units and sales. Also, show the profit at 90% capacity. CO5K4

(or)

15.b. With the following data for a 60% activity prepare a budget for production at 80 % and 100 % capacity:

CO5K4

Production at 60 % activity	600 units
Materials	Rs. 100 per unit
Labour	Rs. 40 per unit
Expenses	Rs. 10 per unit
Factory expenses	Rs. 40,000 (40 % fixed)
Administration expenses	Rs. 30,000 (60 % fixed)

Part C

5 x 12 = 60

Answer ALL questions

Each answer should not exceed 800 words or four pages

16.a. Differentiate between cost accounting and management accounting.

CO1K3

(or)

16.b. The standard price of a material is fixed at Rs.14 per unit. Prepare the stores ledger account showing pricing of Material issues under standard price method.

CO1K4

2023 March		
1	Opening balance	2000 units at Rs. 14 per unit
5	Received	500 units at Rs. 15 per unit
7	Issued	1,000 units
10	Issued	200 units
12	Received	800 units at Rs. 13 per unit
14	Issued	1,200 units
18	Issued	400 units
20	Received	600 units at Rs. 16 per unit
26	Issued	200 units
28	Received	200 units at Rs. 12 per unit
30	Issued	100 units

17.a. Calculate normal and overtime wages payable to a workman from the following data:

CO2K3

Days	Hours of worked
Monday	8 hours
Tuesday	10 hours
Wednesday	9 hours
Thursday	11 hours
Friday	9 hours
Saturday	4 hours

	51 hours

Normal working hours 8 hours per day
 Normal Rate Re 1 per hour

Overtime rate: up to 9 hours in a day at single rate and over 9 hours in a day at double rate or up to 48 hours in a week single rate and over 48 hours in a day at double rate whichever is more beneficial to the workman?

(or)

17.b. The following direct cost was incurred on job .No.202 of vanaja industries.

CO2K4

Material Rs. 4,300

Wages:

Department A – 60 hrs @ Rs.3 per hr

Department B – 40 hrs @ Rs.2 per hr

Department C – 20 hrs @ Rs.5 per hr

The overhead expenses of these departments were estimated as under .Variable overheads

Department A – Rs. 5000 for 5000 labour hours

Department B – Rs. 3000 for 1500 labour hours

Department C – Rs. 1500 for 500 labour hours

Fixed overheads are estimated at Rs. 20,000 for 10,000 normal working hours

and the selling price for the job to give a profit of 25% of selling price

- 18.a. The following are the Balance sheets of Rajan and Co. Ltd. for the year 2022 and 2023. CO3K4
Prepare Comparative Balance Sheet.

Liabilities	2022 Rs.	2023 Rs.	Assets	2022 Rs.	2023 Rs.
Equity share capital	3,00,000	4,00,000	Land	1,85,000	1,35,000
Reserves and Surplus	1,65,000	1,11,000	Plant	2,00,000	3,00,000
5 % Debentures	1,00,000	1,50,000	Fixtures	10,000	12,500
Long term loans	75,000	1,00,000	Other Fixed Assets	12,500	15,000
Bills payable	25,000	22,500	Cash in hand	10,000	40,000
Sundry creditors	50,000	60,000	Bills Receivable	75,000	45,000
Outstanding expenses	2,500	5,000	Sundry debtors	1,00,000	1,25,000
			Stock	1,25,000	1,76,000
Total	7,17,500	8,48,500	Total	7,17,500	8,48,500

(or)

- 18.b. From the following Income statement of Jai Hind Ltd. For the years 2022 and 2023, CO3K4
prepare common-size income statement

	2022 Rs.	2023 Rs.
Gross sales	3,62,500	4,07,500
Less : Sales returns	12,500	7,500
Net sales	3,50,000	4,00,000
Cost of sales	2,97,500	3,07,500
Gross profit	52,500	92,500
Operating expenses:		
Selling expenses	11,500	12,000
Administrative expenses	6,350	6,250
	17,850	18,250
Operating income	34,650	74,250
Other incomes	600	4,020
	35,250	78,270
Non-operating expenses	875	970
Net profit	34,375	77,300

- 19.a. BM Company presents the following information and you are required to calculate funds from operations. CO4K5

Profit and loss Accounts

Particulars	Rs.	Particulars	Rs.
To expenses:		By gross profit	2,00,000
Operation	1,00,000	By gain on sale of plant	20,000
Depreciation	40,000		
To loss on sale of building	10,000		
To advertisement suspense A/c	5,000		
To discount	500		
To discount on issue of shares written off	500		
To goodwill	12,000		
To net profit	52,000		
	2,20,000		2,20,000

(or)

19.b. Sony Enterprise Limited presents the following Balance sheet and income statement i.e., CO4K4 Profit and Loss Account for the year ended 31st March 2022.

Sony Enterprises Limited

Balance Sheet

Particulars	As on 31 st March 2022 Rs.	As on 31 st March 2023 Rs.
Equity share capital	10,00,000	10,00,000
Retained earnings	8,60,000	9,46,000
12% debentures	6,00,000	5,00,000
Trade creditors	1,02,500	1,21,700
Outstanding expenses	21,800	27,400
	25,84,300	25,95,100
Fixed assets	24,00,000	26,00,000
Provision for depreciation	(8,00,000)	(9,80,000)
Investments	2,50,000	1,00,000
Trade debtors	1,60,200	1,80,000
Inventories	4,13,300	5,07,100
Provisions for bad debts	(8,000)	(9,000)
Under writing commission	4,800	3,600
Cash in hand and bank balance	1,64,000	1,93,400
	25,84,300	25,95,100

Profit and Loss Account for the year ending 31st March 2023

Particulars	Rs.
Sales	36,40,000
Cost of goods sold	(18,60,000)
Compensation received from lawsuit	55,000
Interest received on investment	21,000
Profit on sale of investment	7,500
Sundry operating expense	(7,83,500)
Interest of debentures paid	(66,000)
Provision for bad debts	(1,000)
Provisions for depreciation	(1,80,000)
Under writing commission written off	(1,200)
Net profit before tax	8,31,800
Tax paid for the year	4,16,000
Net profit after tax	4,15,800

Prepare M/s Sony Enterprise Limited's cash flow statement for the year ending 31st March 2023, applying direct method.

20.a. Explain the CVP analysis and its application in managerial decision-making. CO5K3

(or)

20.b. S. K. Brothers wish to approach the bankers for temporary overdraft facility for the period from October 2023 to December 2023. During the period of this period of these three months, the firm will be manufacturing mostly for stock. You are required to prepare a cash budget for the above period. CO5K4

Month	Sales (Rs.)	Purchases (Rs.)	Wages (Rs.)
August	3,60,000	2,49,600	24,000
September	3,84,000	2,88,000	28,000
October	2,16,000	4,86,000	22,000
November	3,48,000	4,92,000	20,000
December	2,52,000	5,36,000	30,000

(a) 50% of credit sales are realized in the month following the sales and remaining 50% in the second following.

(b) Creditors are paid in the month following the month of purchase

(c) Estimated cash as on 1.10.2023 is Rs.50,000.
