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**Presidency University**

**Bengaluru**

**SCHOOL OF COMMERCE**

**Make-Up Examinations, July 2024**

**Semester**: IV

**Course Code**: BBA2006

**Course Name**: Cost & Management Accounting

**Program** : BBA

**Date**: 01 / 07 / 2024

**Time**: 9.30am to 12.30pm

**Max Marks**: 100

**Weightage**: 50%

**Instructions:**

1. *Read all questions carefully and answer accordingly.*
2. *The question paper consists of three parts.*
3. *Scientific and Non Programable Calculators are Permitted.*
4. *Do not write any information on the question paper other than roll number.*

**Part A**

**Answer any FIVE Questions. (5 Q x 2 M = 10 M)**

1. Recognize any of the four solvency ratios. (C.O.No.5) [Remember level]

2. State two differences between comparative analysis and common size financial statement analysis. (C.O.No.4) [Remember level]

3. Memorize the formula of Halsey premium plan. (C.O.No.3) [Remember level]

4. Outline the significance of financial statement analysis (C.O.No.2) [Remember level]

5. Define Liquidity Ratios. (C.O.No.5) [Remember level]

6. Describe estimated cost sheet. (C.O.No.2) [Remember level]

7. Recognize any four solvency ratios. (C.O.No.5) [Remember level]

**Part B**

**Answer any FIVE Questions. (5 Q x 10 M = 50 M)**

8. The following are the Balance Sheets of Surya Ltd. as on March 31, 2000 and 2001.  
Prepare a Comparative balance sheet.

|  |  |  |
| --- | --- | --- |
| **Particulars** | **March 31, 2000 (Rs.)** | **March 31, 2001 (Rs.)** |
| Equity and Liabilities 1.Shareholders’ Funds |  |  |
| a)Share capital. | 10,00,000 | 7,50,000 |
| b)Reserve and surplus | 1,50,000 | 2,00,000 |
| 2.Non-current Liabilities Long-term borrowings | 4,50,000 | 3,00,000 |
| 2.Current liabilities Bills payables | 1,50,000 | 1,00,000 |
| **Total** | **17,50,000** | **13,50,000** |
| II. Assets a) Fixed assets |  |  |
| Tangible assets | 10,00,000 | 7,50,000 |
| Intangible assets | 4,50,000 | 3,00,000 |
| 2. Current assets |  |  |
| Inventories | 1,50,000 | 2,00,000 |
| Cash and cash equivalents | 1,50,000 | 1,00,000 |
| **Total** | **17,50,000** | **13,50,000** |

(C.O.No.2) [Apply level]

9. Calculate trend percentages for the following particulars of Laura ltd. (Rs. In Lakhs)

|  |  |  |  |
| --- | --- | --- | --- |
| **Particulars** | Year 1 | Year 2 | Year 3 |
| **EQUITY & LIABILITIES:** |  |  |  |
| Shareholders fund | 500 | 550 | 600 |
| Non-current Liabilities | 200 | 250 | 200 |
| Current Liabilities | 100 | 80 | 160 |
| **TOTAL** | **800** | **880** | **960** |
| **ASSETS:** |  |  |  |
| Non-current Assets | 600 | 720 | 780 |
| Current Assets | 200 | 160 | 180 |
| **TOTAL** | **800** | **880** | **960** |

(C.O.No.4) [Apply level]

10. The stock of material held on 1-4-2024 was 800 units @ Rs.80 per unit. The following receipts and issues were recorded. You are required to prepare stores ledger account showing how the value of issues would be calculated through FIFO method.

|  |  |
| --- | --- |
| **Date** | **Particulars** |
| 12-4-23 | Purchased 200 units @ Rs.70 per unit |
| 13-4-23 | Issued 300 units |
| 20-4-23 | Purchased 400 units @ Rs.50 per unit |
| 25-4-23 | Issued 200 units |
| 26-4-23 | Purchased 600 units @ Rs.85 per unit |
| 30-4-23 | Issued 500 units |
| 10-5-23 | Purchased 700 units @ Rs.50 per unit |
| 12-5-23 | Issued 400 units |
| 13-5-23 | Issued 300 units |
| 15-5-23 | Purchased 600 units @ Rs.60 per unit |
| 12-6-23 | Issued 500 units |
| 15-6-23 | Purchased 200 units @ Rs.80 per unit |

(C.O.No.3) [Apply level]

11. Calculate trend percentages for the following particulars of Wim ltd. (Rs. In Lakhs)

|  |  |  |  |
| --- | --- | --- | --- |
| **Particulars** | Year 1 | Year 2 | Year 3 |
| **EQUITY & LIABILITIES:** |  |  |  |
| Shareholders fund | 250 | 275 | 300 |
| Non-current Liabilities | 100 | 125 | 100 |
| Current Liabilities | 50 | 40 | 80 |
| **TOTAL** | **400** | **440** | **480** |
| **ASSETS:** |  |  |  |
| Non-current Assets | 300 | 360 | 390 |
| Current Assets | 100 | 80 | 90 |
| **TOTAL** | **400** | **440** | **480** |

(C.O.No.4) [Apply level]

12. The stock of material held on 1-4-2023 was 400 units @ Rs.50 per unit. The following receipts and issues were recorded. You are required to prepare stores ledger account showing how the value of issues would be calculated through LIFO method.

|  |  |
| --- | --- |
| **Date** | **Particulars** |
| 2-4-23 | Purchased 100 units @ Rs.55 per unit |
| 6-4-23 | Issued 400 units |
| 10-4-23 | Purchased 600 units @ Rs.55 per unit |
| 13-4-23 | Issued 400 units |
| 20-4-23 | Purchased 500 units @ Rs.65 per unit |
| 25-4-23 | Issued 600 units |
| 10-5-23 | Purchased 800 units @ Rs.70 per unit |
| 12-5-23 | Issued 500 units |
| 13-5-23 | Issued 200 units |
| 15-5-23 | Purchased 500 units @ Rs.75 per unit |
| 12-6-23 | Issued 400 units |
| 15-6-23 | Purchased 300 units @ Rs.80 per unit |

(C.O.No.4) [Apply level]

13. ABC company needs a cost accounting expert to train the employees on the new cost accounting system to better track and manage its expenses related to manufacturing and development projects. You, as a cost accounting expert, explain the significance and phases of the cost accounting cycle to them. (C.O.No.2) [Understand level]

14. Mr. Vinay is interning in a consulting firm, and he has been asked to prepare profitability reports on the management performance for the previous year by using ratio analysis to study the financial statements. But he is unaware of the ratios to be used for calculating the profitability of the firm. You, as a management accounting expert, explain to Mr. Vinay what ratios to be calculated under profitability with formulas and the way of interpretation with imaginary figures.

(C.O.No.5) [Understand level]

**Part C**

**Answer any TWO Questions. (2 Q x 20 M = 40 M)**

15. From the books of accounts of Ms. Vaishnavi, the following details have been extracted for the year ending 31st March 1999. You are required to prepare cost sheet for the firm from the below given details.

|  |  |
| --- | --- |
| **Particulars** | **Amount (Rs.)** |
| Opening stock of raw materials | 6,30,000 |
| Closing stock of raw materials | 3,00,000 |
| Materials purchased | 5,00,000 |
| Direct wages | 5,43,000 |
| Indirect wages | 54,000 |
| Administrative charges | 2,00,000 |
| Bad debts | 43,000 |
| Machine depreciation charges | 33,000 |
| Fuel expenses | 55,000 |
| Office rent | 32,000 |
| Packing expenses | 76,000 |
| Delivery van charges | 54,000 |
| Factory Supervisor’s salary | 24,000 |
| Director’s fees | 36,000 |
| Factory lighting | 25,000 |
| Furniture in office | 10,000 |
| Opening stock of finished goods | 2,03,000 |
| Closing stock of finished goods | 1,12,000 |
| Salesmen salary | 8,000 |

(C.O.No.5) [Apply level]

16. The following figures have been given from Ms. Anu’s factory for the year 2014.Direct Material Rs. 30,00,000; Direct Wages Rs. 20,00,000; Factory overhead Rs. 20,00,000; Administrative expenses Rs. 14,00,000; Selling & Distribution overhead Rs. 11,96,000; & Profit Rs. 8,20,000. In 2015 the firm wants to execute a work order which requires Rs. 42,000 for materials and Rs. 20,000 for direct wages. Determine the price at the same rate of profit as in 2015.

(C.O.No.5) [Apply level]

17. The following are the Balance Sheets of Mars Ltd. as on March 31, 2023 and 2024.  
Prepare a Comparative balance sheet and a Common size balance sheet.

|  |  |  |
| --- | --- | --- |
| **Particulars** | **March 31, 2023 (Rs.)** | **March 31, 2024 (Rs.)** |
| Equity and Liabilities 1.Shareholders’ Funds |  |  |
| a) Equity Share capital. | 40,00,000 | 30,00,000 |
| b) Reserve and surplus | 6,00,000 | 8,00,000 |
| 2.Non-current Liabilities Long-term borrowings | 18,00,000 | 12,00,000 |
| 2.Current liabilities Short term provisions | 6,00,000 | 4,00,000 |
| **Total** | **70,00,000** | **54,00,000** |
| II. Assets a) Fixed assets |  |  |
| Tangible assets | 40,00,000 | 30,00,000 |
| Intangible assets | 18,00,000 | 12,00,000 |
| 2. Current assets |  |  |
| Stock in trade | 6,00,000 | 8,00,000 |
| Cash at bank | 6,00,000 | 4,00,000 |
| **Total** | **70,00,000** | **54,00,000** |

(C.O.No.4) [Apply level]