

(Pages : 7)

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20 April 2022  
N - 1826  
1.30 p.m to 4.30 p.m

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MANAGEMENT & TECHNOLOGY  
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**Sixth Semester B.Com. Degree Examination, April 2022**

**First Degree Programme Under CBCSS**

**Core Course : CO 1642 / CX 1642 / TT 1642 / HM 1642 / CC 1642**

**APPLIED COSTING**

**(2018 & 2019 Admission)**

**(Common for Commerce/Commerce and Tax Procedure and Practice/Commerce and Tourism and Travel Management/ Commerce and Hotel Management and Catering/ Commerce with Computer Applications)**

Time : 3 Hours

Max. Marks : 80

**SECTION – A**

**Very short answer. Answer all questions. Each question carries 1 mark. (One sentence to maximum two sentences.)**

1. What is batch costing?
2. Write any two industries using job costing.
3. What is contract costing?
4. Write any two examples for composite cost unit.
5. What is marginal costing?
6. What is joint product?
7. What is De-escalation clause?

P.T.O.



8. Define standard costing.

9. What is contribution?

10. Define service costing.

(10 × 1 = 10 Marks)

SECTION – B

**Short answer.** Answer any **eight** questions. **Each** question carries **2** marks. (Not to exceed **one** paragraph)

11. Write any three features of job costing.

12. What is a job ticket?

13. Write two features of batch costing.

14. What is the meaning of work certified?

15. What is notional profit in contract account?

16. Define process costing.

17. What is the meaning of abnormal loss?

18. What is the meaning of inter-process profit?

19. What are the two features of by-product?

20. What is subsequent cost?

21. Write two objectives of canteen costing.

22. What is CVP analysis?

23. What is margin of safety?



24. Essentials for the applicability of standard costing system.
25. What is basic standard?
26. What is variance analysis?

SECTION – C

(8 × 2 = 16 Marks)

**Short Essay.** Answer any **six** questions. **Each** question carries **4** marks. (Not to exceed **120** words)

27. Distinguish between job costing and process costing.
28. What are the procedures involved in process costing?
29. What is by-product? What are the accounting treatment of by-product?
30. What are the difference between standard costing and Budgetary control?
31. Enumerate features of marginal costing.
32. What are the objectives of transport costing?
33. Job No. 2198 was commenced on 10<sup>th</sup> October, 2018 and completed on 1<sup>st</sup> November, 2018. Materials used were Rs. 600 and labour charged directly to the job was Rs. 400. Other informations were as follows:

Machine No. 215 used for 40 hours; the machine hour rate is Rs. 3.50

Machine No. 169 used for 30 hours; the machine hour rate is Rs. 4

Six welders worked on the job for 5 days of 8 hours each; the direct labour hour rate for welders is 20 paise.

Other expenditures of the concern not apportioned for calculating the machine hour or the direct hour rates amounted to Rs. 20,000, total direct wages for the period being Rs. 20,000. Ascertain the Works Cost of job No. 2198.



34. From the following information, calculate Economic Batch Quantity for a company using batch costing :

Annual Demand for the components	2400 units
Setting up cost per batch	Rs. 100
Manufacturing cost per unit	Rs. 200
Carrying cost per unit	6% p.a.

35. Calculate Contribution in each of the following cases:

Case (a) Selling Price Per Unit Rs. 10, Variable Cost Per Unit Rs. 6

Case (b) Total sales Rs. 6,000, Total Variable Cost Rs. 3,600

Case (c) Fixed Costs Rs. 2,000, Profit Rs. 400

Case (d) Fixed Costs Rs. 2,000, Profit .0

Case (e) Fixed Costs Rs. 2,000, Loss Rs. 400

36. From the following information, find out equivalent production assuming there is no opening work-in-progress.

Units introduced	4,000 units	
Output	3,000 units	
Closing work-in-progress	1,000 units	Degree of completion
Materials		80%.
Labour		70%
Overhead		70%

37. From the following information, calculate the (a) Effective kilometres p.a.; (b) Effective passenger kilometres p.a.; (c) Total fuel consumption; and (d) Total cost of fuel; (e) Cost of fuel per kilometre

Distance of one way route	40 kilometres
Round trips per day	3
Days operated in a month	25
Seating capacity	50 passengers
Seating capacity occupied	80%
Fuel consumption	1 litre per 6 kms
Rate of fuel	Rs. 15 per litre



38. Fifty units are introduced into a process at a cost of Rs. 50. The total additional expenditure incurred in the process is Rs. 30. Of the units introduced, 10% are normally spoiled in the course of manufacture, these possess a scrap value of Re. 0.25 each. Owing to an accident, only 40 units are produced. You are required to prepare a Process Account and Abnormal Wastage Account.

(6 × 4 = 24 Marks)

SECTION – D

**Long Essay.** Answer any **two** questions. Each question carries **15** marks.

39. What are the managerial applications of marginal costing?
40. A canteen in a college serves fixed lunch to its customers and provides you the following information for the month of April 2018

Wheat flour	9,000
Vegetables	4,500
Oil	3,600
Spices etc.	900
Wages of cook	3,000
Wages of Kitchen assistant	2,400
Wages of waiter	1,500
Gas	1,500
Water	300
Power and lighting	750
Crockery	225
Cleaning materials	150
Rent	2,175
No. of lunch served	1,560

(including 60 served to Drivers and Conductors)

Profit margin 33.33 % on sales

It is the policy to serve drivers and conductors free of charge

Required: Calculate the selling price to be charged for each Lunch.



41. PQR. Ltd. was engaged on one contract during the year 2018. The contract price was Rs. 2,00,000. The trial balance extracted from the books on 31<sup>st</sup> December 1995 stood as follows:

	Rs.	Rs.
Share capital		40,000
Sundry creditors		4,000
Building	17,000	
Cash at bank	4,500	
Contract account :		
Materials	37,500	
Plant	10,000	
Wages	52,500	
Cash received from contractee (80% of certified work)		80,000
Expenses	2,500	
	<u>1,24,000</u>	<u>1,24,000</u>

Of the plant and materials charged to the contract, plant costing Rs. 1,500 and materials costing Rs. 1,200 were destroyed by an accident. On 31-12-18 plant costing Rs. 2,000 was returned to stores and material at site was valued at Rs. 1,500. Cost of uncertified work was Rs. 1,000. Charge 10% depreciation on plant. Prepare Contract A/c for the year 1995 and Balance Sheet as on 31-12-18.

42. JK Ltd. produces a product "AZE", which passes through two processes, viz., process I and process II. The output of each process is treated as the raw material of the next process to which it is transferred and output of the second process is transferred to finished stock. The following data related to December, 2018:

	Process I	Process II
25,000 units introduced at a cost of	2,00,000	
Material consumed	1,92,000	96,020
Direct labour	2,24,000	1,28,000
Manufacturing expenses	1,40,000	60,000
Normal wastage of input	10%	10%
Scrap value of normal wastage (per unit)	9.90	8.60
Output in units	22,000	20,000

Required :

- Prepare Process I and Process II account
- Prepare Abnormal wastage account.



43. PCT Ltd. provides you the following information :

	Year 2018	Year 2019
Total Sales	Rs. 20,000	Rs. 30,000
Total cost	Rs. 17,600	Rs. 21,600

Required: Calculate the following:

(a) the Profit/volume ratio; (b) Fixed costs; (c) Break-Even Point; (d) Margin of safety; (e) the Amount of profit/loss when sales are Rs. 50,000; (f) the Amount of sales required to earn a profit of Rs. 59,040; (g) the Amount of sales required to earn profit @ 10% on sales; (h) the Amount of profit for the year 2020 after taking into consideration the 10% decrease in selling price but 20% increase in physical sales volume and fixed costs.

44. Calculate all the Material Cost Variances from the following information provided by Tulsian Ltd.:

	Standard		Actual	
	Qty.	Unit price	Qty.	Unit price
Material 'A'	60%	Rs. 20	44 kg	Rs. 25
Material 'B'	40%	Rs. 10	66 kg	Rs. 5
Standard processing loss 10%				
Actual Output 90 kg.				

(2 × 15 = 30 Marks)



(Pages : 4)

N - 1481

2.00 pm to 5.0

Reg. No. : .....

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Sixth Semester B.Com. Degree Examination April 2022

First Degree Programme under CBCSS

Core Course : CO 1641/CX 1641/TT 1641/HM 1641/CC 1641

AUDITING

(2018 & 2019 Admission)

(Common for Commerce/Commerce and Tax Procedure and Practice/Commerce and Tourism and Travel Management/Commerce and Hotel Management and Catering/Commerce with Computer Applications)

Time : 3 Hours

Max. Marks : 80

SECTION - A

Answer all questions in one or two sentences each. Each question carries 1 mark.

1. Define auditing.
2. What is an error of principle?
3. What are the firms suitable for final audit?
4. What are audit standards?
5. What is primary voucher?
6. What are the vouchers that are necessary to vouch receipt from debtors?
7. What is inventory?

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8. Who is a Chartered Accountant?
9. Who appoints the first auditor of a company?
10. What is investigation?

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#### SECTION – B

(10 × 1 = 10 Marks)

Answer any **eight** questions in not exceeding one paragraph each. **Each** question carries 2 marks.

11. What is teeming and lading?
12. What is defalcation of goods?
13. What is internal audit?
14. What is an 'Audit Note Book'?
15. What is current audit file?
16. Define audit programme.
17. What are the advantages of internal check to the business?
18. What is internal control?
19. What are the essentials of valid voucher?
20. What is the objective of vouching of outstanding liabilities?
21. What is verification?
22. What is rotation of auditors?
23. What is liability for negligence?
24. What is clean audit report?
25. When a qualified report is to be issued?
26. Distinguish between auditing and investigation.

(8 × 2 = 16 Marks)



### SECTION – C

Answer any **six** questions in not exceeding **120** words each. **Each** question carries **4** marks.

27. What are the objectives of auditing?
28. Explain the concept of auditors' independence.
29. What is tax audit?
30. What are the advantages of working papers?
31. What are the principles of internal check?
32. Distinguish between verification and vouching?
33. Explain the procedure for vouching cash sales.
34. How trade creditors are verified?
35. What is the status of a company auditor?
36. What are the feature of an audit report?
37. Write a note on remuneration of auditor.
38. What special considerations an auditor must bear in mind while conducting investigation?

**(6 × 4 = 24 Marks)**

### SECTION – D

Answer any **two** questions in not exceeding **four** pages each. **Each** question carries **15** marks.

39. What is continuous audit? What are its advantages and disadvantages?
40. What is internal check? Describe a good internal check as to wages.



41. "In vouching payments, the auditor does not merely seek proof that money been paid away". Comment.
42. Discuss in detail the general auditing standards.
43. Discuss briefly the liabilities of an auditor.
44. Explain in brief the procedure as regards investigation of suspected fraud as to cash.

**(2 × 15 = 30 Marks)**

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**Sixth Semester B.Com. Degree Examination, April 2022**

**First Degree Programme Under CBCSS**

**CO 1661.8/CX 1661.3/TT 1661.3/CC 1661.3/HM 1661.3**

**STRATEGIC MANAGEMENT**

**(Common for Commerce/Commerce & Tax Procedure and Practice/  
Commerce and Tourism and Travel Management / Commerce with  
Computer Applications/Commerce and Hotel Management and Catering)**

**(2018 & 2019 Admission)**

Time : 3 Hours

Max. Marks : 80

**SECTION – A**

Answer **all** questions in **one** or **two** sentences. **Each** question carries **1** mark.

1. Define the term Strategy.
2. What is Strategy Formulation?
3. What is Mission?
4. What is Vertical Integration?
5. Give the expansion of SPACE.
6. What is Blue Ocean Strategy?
7. What is Synergy?

P.T.O.



8. What is Du Pont Control Chart?
9. What is Strategic Evaluation?
10. What is Basic Strategies?

(10 × 1 = 10 Marks)

#### SECTION – B

Answer any **eight** questions, in not exceeding one paragraph each. **Each** question carries **2** marks.

11. What are the characteristics of Strategic Management?
12. Explain the need for Strategy.
13. What are the characteristics of Strategic intent?
14. Differentiate the term Goals and Objectives?
15. What do you mean by Incremental Growth Strategy?
16. Explain integration strategy.
17. Difference between Merger and Acquisition.
18. Write the merits of Strategic Alliance from the view point of invested company.
19. What is Disinvestment Strategy?
20. What is Generic Business Strategy?
21. Explain ETOP.
22. Explain criteria for evaluating Strategic Alternatives.
23. What do you mean by Strategic Control?



24. Explain Time Related Control methods used for Strategic Control System.
25. What are the Minitzberg 5 P's of Strategy?
26. Explain CAP

**(8 × 2 = 16 Marks)**

**SECTION – C**

Answer any **six** questions, in not exceeding 120 words. **Each** question carries 4 marks.

27. Explain the benefits of Strategic Management towards business organization.
28. Explain the characteristics of Strategic Intent.
29. Discuss the essentials of a good mission statement.
30. Explain the elements followed in a good vision statement.
31. Give a brief note about Stability Strategy.
32. List out different types of Integration applied in Integration Strategy.
33. Briefly explain the merits of Strategic Alliance from the angle of host country and guest country.
34. Explain SWOT Analysis.
35. What do you understand the term Synergy and its types?
36. Explain steps in Strategy Implementation.
37. Explain interrelationship between Strategy Formulation and Implementation.
38. What are the barriers involved in the stage of Strategic Evaluation and Control?

**(6 × 4 = 24 Marks)**



## SECTION – D

Answer **any two** questions in not exceeding **four** pages each. Each question carries **15** marks.

39. Explain Strategic Evaluation Process.
40. Explain various stages in the process of Strategic Management.
41. Explain SWOT Analysis and TOWS Matric.
42. Explain the term Strategic Analysis and its contents.
43. Explain the term Strategic Management and its Process.
44. Explain the term Corporate Portfolio Analysis. What are the important Portfolio Analysis?

**(2 × 15 = 30 Marks)**



(Pages : 4)

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8/4/22  
2.00 to 5.00 p.  
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Sixth Semester B.Com. Degree Examination, April 2022

First Degree Programme under CBCSS

CO 1661.5/CC 1644 : COMPUTERISED ACCOUNTING

(2018 & 2019 Admission)

(Common for Commerce/Commerce with Computer Applications)

Max. Marks : 80

Time : 3 Hours

SECTION - A

Answer all questions, Each question carries 1 mark.

1. In taxation, TCS stands for?
2. Can we allow Expenses/Fixed Assets in Purchase vouchers, say yes or no?
3. F10 is the shortcut to reversing \_\_\_\_\_ in Tally
4. Which menu is used to create new ledgers, groups and voucher types in Tally?
5. How many voucher types are provided in Tally to record transactions?
6. By which option Purchase or Sales register can be viewed?
7. A \_\_\_\_\_ is sent to the seller when he is taken back the sold goods
8. Which shortcut key is used in Company Features screen to use Inventory Features in Tally?
9. Which option is used to copy company's data into pen drive or CD?
10. Name the option used to create company in Tally.

(10 × 1 = 10 Marks)

P.T.O.



## SECTION – B

Answer any **eight** questions. **Each** question carries **2** marks.

11. What is debit note?
12. What are the recommendations of tally at the time splitting of data?
13. How to place data taken in pen drive or CD to Appropriate place in Tally?
14. How to shut a company?
15. Write down the procedure to alter a company in tally?
16. Write a note on pre-defined groups in Tally?
17. What is Primary and Secondary groups in Tally?
18. How to move from one company to another when more than one companies are open?
19. How to display pay roll?
20. What is "Alias" represents?
21. Where do we record interest received, commission received in Tally?
22. Write down the steps to record purchase return?
23. How can we make changes in created Groups of Ledgers?
24. How many voucher types are readily available in Tally?
25. Write the steps to view profit and loss a/c in Gateway of Tally?
26. Write a note on inbuilt Accounts group in tally by default?

**(8 × 2 = 16 Marks)**



### SECTION – C

Answer any **six** questions. **Each** question carries **4** marks.

27. Explain Bill of Materials?
28. Explain the utility of Tally Vault Password?
29. Write a note on the voucher type used to transfer amount from one bank to another?
30. Comment on "Stock Categories"?
31. Explain the benefits of Maintaining Bill Wise Details?
32. What are the types of units available in tally?
33. Write a note on predefined ledgers?
34. Mention what features are available in Tally ERP 9 for Accounting?
35. What are the types of ledgers you can make in Tally?
36. What is the shortcuts for Voucher Creation and Alteration Screen in Tally?
37. Explain what is group in Tally?
38. Mention what are the requirements to connect Tally remotely?

**(6 × 4 = 24 Marks)**

### SECTION – D

Answer any **two** questions. **Each** question carries **15** marks.

39. Explain the steps to provide tax credit details in VAT ledger?
40. How to create a CST ledger grouped under Purchase Accounts or Direct Expenses for apportioning?
41. Explain how to setup banking features in tally?



42. Discuss cheque management system in tally?
43. Explain how to manage cheques with cheque register with the help of tally?
44. Explain various types of vouchers in tally with short cut keys?

**(2 × 15 = 30 Marks)**

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(Pages : 8)

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8/4/22 5.00 p.m.  
2.00 to N - 1492

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Sixth Semester B.Com. Degree Examination, April 2022.

First Degree Programme under CBCSS

Stream 2 – Co-operation

Elective Course – IV

CO 1661.2 – CO-OPERATIVE ACCOUNTING

(2018 & 2019 Admission)

Time : 3 Hours

Max. Marks : 80

SECTION – A

Answer all questions, each carries 1 Mark

1. Define co-operative accounting?
2. Mention any two forms of cooperative societies?
3. What you mean by joint stock company?
4. What is an Internal Audit?
5. What you mean by Bank Reconciliation Statement?
6. Why consumers cooperative society are formed?
7. What you mean by Cooperative Society?
8. What are the aims of Agriculture Marketing Cooperative Societies?
9. What is resolution?
10. What you mean by deposit guarantee scheme?

(10 × 1 = 10 Marks)

P.T.O.



## SECTION – B

Answer **any eight** questions, Each question carries **2** marks.

11. What do you mean by non-performing assets (NPA)?
12. What is Doubtful assets?
13. Write a note on International Co-operative Alliance?
14. What is insurance policy register?
15. List out the phases of practical audit?
16. What are the reasons for failure of Housing cooperatives projects?
17. Write a note on “cooperative common wealth”
18. State the reason for setting Credit Associations?
19. What are the objectives of Primary Agriculture Credit Societies?
20. What you mean by consortium lending scheme?
21. Explain the statutory requirement of disposal of net profit?
22. What you mean by Grant?
23. Explain Rule 65?
24. Under what circumstances the surcharge is enforced?
25. Who is vigilance officer?
26. What is liquid cover? What are the assets included?

**(8 × 2 = 16 Marks)**

## SECTION – C

Answer **any six** questions, each Question carries **4** marks

27. Explain the Objectives of co-operative accounting?
28. Explain the benefits of co-operative accounting to cooperative societies?



29. Comment on "subsidiary state fund"?
30. Explain the internal causes of overdues in credit cooperative institutions?
31. Discuss the objectives of International Labour Organization?
32. Explain the Powers of Director of Audit?
33. What are the special features of audit of cooperative society?
34. Write a note on Non credit Activities of PACS?
35. The secretary of Neendakkara Fisheries Cooperative Society request you to prepare receipts and disbursement statement for the year ending 31<sup>st</sup> March 2021, from the following information

	Rs.
Entrance Fee received	1,500
Receipt from fisheries Activity	2,000
Salary paid	1,000
Donation for Boat Purchase	20,000
Advance given for purchase of boat	15,000
Rent paid	800
Boat Fuel Expenses	1,000
Spare parts Expenses	400
Fishing expenses	2,000
Office Expenses	1,000
Salary out standing	300
Cash in Hand (Opening)	2,000

36. Record the following transactions in the purchase day book Varadoor Milk Cooperative Society for the month of January 2021

Date	Details
------	---------

- |   |  |
|---|--|
| 1 | Purchased from S.K Cattle Feed             |
|   | 30 Bags of 50 Kg Cattle Feed @ 250 per bag |
|   | 25 Bags of 25 Kg Cattle Feed @ 125 per bag |



- 4 Purchased from Kerala Feeds  
50 Bags of 25 Kg Goat Feed @ 200 per bag  
10 Bags of 20Kg Goat Feed @ 175 per bag
- 15 Purchased from Parimal Feeds  
40 Bags of 20 Kg She Buffalo Feed @ 300 per bag  
20 Bags of 10 Kg She Buffalo Feed @ 150 per bag
- 27 Purchased from True Feeds Ltd  
20 Bags of 20 Kg Mineral Feed @ 200 per bag  
10 Bags of 10Kg Vitamin Feed @ 100 per bag
37. From the following information relating to Trichi Primary cooperative society, prepare balance sheet as on 31<sup>st</sup> March 2021
- Outstanding Expenses Rs. Wages Rs. 200 and Salaries Rs. 300; Sundry Creditors Rs. 2,150; Capital Rs. 47,500; Net Profit Rs. 10,990; Drawings Rs. 800; Cash at Bank Rs. 16,690; Sundry Debtors Rs. 5,150; Closing Stock 11,500; Furniture Rs.2000; Plant and Machinery Rs. 13,000; Premises Rs. 12,000
38. Prepare trading account Chavara Milk farming society for the year ended 31<sup>st</sup> March 2021 based on the following information

Particulars	Debit	Credit
Opening Stock	8,000	
Sales Return	600	
Sales		82,000
Purchases	50,000	
Purchase Return		300
Carriage inward	200	
Wages	500	
Closing Stock		1,000

(6 × 4 = 24 Marks)



## SECTION – D

Answer any two questions, each question carries **15** marks

39. Explain the Salient features of Co-operative Audit?

40. Explain the financial statements of PACS.

41. Record the following transactions in the cash book of Legal Service Society for the month of January 2021

Date	Details	Rs.
1	Opening Balance	10,000
2	Office Furniture Purchased for cash	1,500
3	Hiring of Advocate	6,000
6	Legal service Charge received	3,200
11	Opening of Bank, A/c	3,000
14	Legal Advice Charge Received	4,100
18	Stationery Purchased	250
21	Paid Rent	300
26	Received Commission	400
28	Paid to Prakash	600
29	Received from Suku	1,200
30	Paid Salary	450
30	Received cheque for service rendered	500
31	Cheque paid into bank	500

42. Following is the trail balance of Agro Farming Society for the year ended 31<sup>st</sup> December 2021

Particulars	Debit Rs	Credit Rs
Capital		96,800
Land & building	35,000	
Goodwill	5,000	



Stock on opening	17,250	
Purchase	82,750	
Wages & Sales	6,500	
Power Triller Expenses	3,500	
Machinery	25,000	
Seed Expenses	1,500	
Fertilizers expenses	2,500	
Sales		1,25,000
Management expense	14,500	
Bad debts	4,800	
Provision for bad debts		2,000
Drawings	6,000	
Debtors and Creditors	31,000	14,000
Cash	2,500	
Total	<u>2,37,800</u>	<u>2,37,800</u>

#### Adjustment

- (a) Closing stock is valued at Rs. 8500
- (b) Writes off Rs.1000 as bad debts
- (c) Provide 5% on debtors for bad debts
- (d) Royalty outstanding amounted to Rs.500/-
- (e) Prepare Trading a/c and profit & loss a/c for the year ending 31<sup>st</sup> March 2021 and a balance sheet as on that date.



43. From the following balance sheet as on 01-01-2021 and R&D statement as on 31-12-2021. Prepare P/L & Balance Sheet as on 31-12-2021.

Balance Sheet as on 01-01-2021

Liability	Amt	Assets	Amt
Share Capital	1,300	Cash in Hand	509
Deposits	15,700	Cash at Bank	7,800
Borrowings	27,000	Reserve fund Invested	1,250
Reserve Fund	1,250	Loan Outstanding	20,000
Agri Credit Stabilisation Fund	817	Interest Receivable	2,730
Reserve For Bad & Doubtful	1,000	Land & Building	27,300
Depreciation fund	350	Suspense due to	1,500
Reserve for Over Due Interest	2,307	Net Loss	1,000
Interest Payable	4,035		
Establishment & Contingency	1,300		
Suspense Due by	7,030		
	<u>62,089</u>		<u>62,089</u>

Receipt & Disbursement Statement as on 31-12-2021

Receipt	Amt	Disbursement	Amt
Opening Balance	509	Share Capital	70
Share Capital	210	Deposits	5,500
Deposit	37,350	Interest	2,308
Interest	2,016	Establishment & Contingency	5,559
Bank a/c	7,000	Loan to members	16,810
Loan to members	7,035	Bank a/c	14,000
Suspense due to	3,000	Suspense due to	10,000
Suspense due by	3,000	Suspense due by	4,100
		Closing Balance	1,773
	<u>60,120</u>		<u>60,120</u>



Additional information: -

- (a) Interest receivable Rs 11,500 out of which overdue interest 1500
  - (b) Establishment & Contingency payable Rs. 1100
  - (c) Interest payable Rs. 6670
  - (d) Depreciate Building @ 10%
  - (e) Reserve for bad & doubtful, no change
44. List out any fifteen records maintained by a society for a maximum period of ten years other than permanent records?

(2 × 15 = 30 Marks)



(Pages : 7)

Library  
1.30 p.m to 4.30 p.m  
N - 1486  
6/4/22

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Sixth Semester B.Com. Degree Examination, April 2022

First Degree Programme under CBCSS

Core Course : CO 1643/CX 1643/TT 1643/HM 1643/CC 1643

**MANAGEMENT ACCOUNTING**

(2018 & 2019 Admission)

(Common for Commerce/Commerce and Tax Procedure and  
Practice/Commerce and Tourism and Travel Management/Commerce and  
Hotel Management and Catering/Commerce with Computer Applications)

Time : 3 Hours

Max. Marks : 80

**SECTION – A**

Very Short answer. Answer **all** questions. **Each** question carries **1** mark. (one sentence to maximum **two** sentences).

1. Define management accounting.
2. Define Fund flow statement.
3. What is capital budgeting?
4. What is pay-back period?
5. Define capital rationing.
6. What is budget?
7. What is functional budget?

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8. What is risk?
9. What is cash flow statement?
10. What is cost benefit analysis?

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(10 × 1 = 10 Marks)

### SECTION – B

Short Answer. Answer **any eight** questions. Each question carries **2** marks.  
(Not to exceed **one** paragraph)

11. List the functions of budget committee.
12. What is master budget?
13. What is zero based budget?
14. What is decision tree?
15. Define decision making.
16. Give five example for application of fund in business.
17. What are the limitations of cash flow statements?
18. What are the advantages of Net Present Value method?
19. List out the importance of capital budgeting.
20. What are the importance of management accounting?
21. Define opportunity cost.
22. Prepare provision for taxation account from the following information.

Opening provision - Rs. 40,000, Provision created during the year - Rs. 25,000,  
Income tax paid — Rs. 30,000.



23. A chemical company has net sales of Rs. 50 lakhs, cash expenses (including taxes) of Rs.35 lakhs and depreciation expenses of Rs.5 lakhs. If debtors decrease over the period by Rs.6 lakhs, what is its cash from operations?
24. XYZ reported a net income of Rs. 45,25,000. During the year, it wrote off Rs. 4,25,000 in depreciation and Rs. 2,35,000 in amortization costs. It also earned interest of Rs. 7,00,000 on its investment portfolio. Compute funds from operations.
25. Calculate collection from debtors from the following information.
- Opening debtors - Rs. 20,000, Credit sales - Rs. 4,40,000, Bills drawn - Rs. 4000, Closing debtors - Rs. 46,000
26. A project costs Rs.1,00,000 and yields an annual cash inflow of Rs. 20,000 for 8 years. Calculate its pay-back period.

(8 × 2 = 16 Marks)

### SECTION – C

Short Essay. Answer **any six** questions. Each question carries **4** marks. (Not to exceed **120** words).

27. What are the characteristics of management accounting?
28. Distinguish between fund flow statement and cash flow statement.
29. What is budget manual? What does a budget manual contains?
30. What is capital expenditure control? What are its objectives?
31. Distinguish between fixed budget and flexible budget.
32. Differentiate between cost benefit analysis and cost effectiveness analysis.



33. From the following figures prepare raw material purchase budget for January 2018

	Materials in units			
	A	B	C	D
Estimated stock on Jan 1	16,000	6,000	24,000	2,000
Estimated stock on Jan 31	20,000	8,000	28,000	4,000
Estimated consumption	1,20,000	44,000	1,32,000	36,000
Std. Price per unit	0.25	0.05	0.15	0.10

34. From the following balances you are required to calculate cash from operation.

	31.12.2012	31.12.2013
Debtors	50,000	47,000
Bills receivable	10,000	12,500
Creditors	20,000	25,000
Bills payable	8,000	6,000
Outstanding expenses	1,000	1,200
Prepaid expenses	800	700
Accrued income	600	750
Income received in advance	300	250
Profit made during the year	—	1,30,000

35. From the following profit and loss account, compute the funds from operations :

Profit and Loss account

	Rs.		Rs.
To Salaries	5,000	By Gross Profit b/d	1,000
To Rent	2,000	By Rent	5,000
To Depreciation	1,000	By Interest on Investments	4,000
To Preliminary expenses	2,000	By Net loss	5,000
To Loss on sale of land	5,000		
	<u>15,000</u>		<u>15,000</u>



36. Calculate net cash flows from investing activities from the following information :

31.2.2017    31.3.2018

Buildings (w.d.v)    6,00,000    7,50,000

Additional Information :

- (a) Building costing Rs. 1,00,000 on which Rs. 30,000 had accumulated as depreciation was sold for Rs. 60,000.
- (b) Depreciation charged on buildings for the year ended 31.3.2018 Rs. 50,000.

37. Cash flow of a certain project along with cash outflow are given below:

Year	Outflow	Inflow
0	1,50,000	—
1	30,000	20,000
2		30,000
3		60,000
4		80,000
5		30,000

Required rate of return is 10%. The salvage value at the end of the fifth year is Rs. 40,000. Calculate the NPV.

38. From the information given below, prepare a manufacturing overhead budget for the quarter ending December 31, 2018 :

Budget output during the quarter : 5,000 units

Fixed overheads : Rs. 30,000

Variable Overheads (varying at the rate of Rs. 5 per unit) : Rs. 15,000

Semi-Variable Overheads (40% fixed and 60%varying @ Rs. 3 per unit)

(6 × 4 = 24 Marks)



## SECTION – D

Long Essay. Answer **any two** questions. Each question carries **15** marks.

39. What are the objectives and scope of management accounting?
40. What are the requisite for the good budgetary control system? What are its essentials?
41. From the following Balance Sheets of the Company for the ending 31<sup>st</sup> December 2016 and 31<sup>st</sup> December 2017, prepare schedule of changes in working capital and a statement showing sources and application of funds.

Liabilities	2016	2017	Assets	2016	2017
	Rs.	Rs.		Rs.	Rs.
Share capital	3,00,000	4,00,000	Plant and machinery	50,000	60,000
Sundry creditors	1,00,000	70,000	Furniture and Fixtures	10,000	15,000
P/L A/c	15,000	30,000	Stock-in-trade	85,000	1,05,000
			Debtors	1,60,000	1,50,000
			Cash	1,10,000	1,70,000
	<u>4,15,000</u>	<u>5,00,000</u>		<u>4,15,000</u>	<u>5,00,000</u>

42. From the summary Cash Amount of Sunny Ltd. prepare Cash Flow Statement for the year ended 31<sup>st</sup> March, 2018 using the direct method. The company does not have any cash equivalents.

### Summary Cash Account (For the year ended 31.3.2018)

	Rs.		Rs.
Balance on 1.4.2017	1,00,000	Payment of suppliers	40,00,000
Issue of equity shares	6,00,000	Purchase of fixed assets	4,00,000
Receipts from customers	56,00,000	Overhead expenses	4,00,000
Sale of fixed assets	2,00,000	Wage and salaries	2,00,000
		Taxation	5,00,000
		Dividend	1,00,000
		Repayment of bank loan	6,00,000
		Balance on 31.3.2018	3,00,000
	<u>65,00,000</u>		<u>65,00,000</u>



43. Initial Investment Rs. 60,000

Life of the asset 4 years

Estimated Net Annual Cash flows : Rs.

1<sup>st</sup> Year 15,000

2<sup>nd</sup> Year 20,000

3<sup>rd</sup> Year 30,000

4<sup>th</sup> Year 20,000

Calculate Internal Rate of Return

44. PCT Ltd. provides you the following information at 80% capacity:

Production and Sales	2,000 units
Direct material	Re. 1.00 per unit
Direct labour	Re. 1.00 per unit
Direct expenses	Re. 0.80 per unit
Factory overheads (15% variable)	Rs. 2.00 per unit
Administrative overheads (80% fixed)	Rs. 2.00 per unit
Selling overheads (25% variable)	Rs. 2.00 per unit
Total cost	Rs. 8.80 per unit
Profit per unit	Rs. 1.20 per unit
Selling Price	Rs. 10.00 per unit

Required : Draw up a Flexible Budget at 60% and 90% capacity.

(2 × 15 = 30 Marks)