

(FOR THE CANDIDATES ADMITTED

24P1B103

DURING THE ACADEMIC YEAR 2023 ONLY)

REG.NO.

**N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI****END-OF-SEM ESTER EXAMINATIONS : NOVEMBER 2024****M.COM IB****MAXIMUM MARKS: 75****SEMESTER-I****TIME : 3 HOURS****24P1B103 -ACCOUNTING FOR BUSINESS EXECUTIVES****SECTION – A****(10 X 1 = 10 MARKS)****ANSWER THE FOLLOWING QUESTIONS.****(K1)**

1. Assets which are acquired for own use and not for resale are known as \_\_\_\_\_  
a. fixed assets b. current assets c. wasting assets d. fictitious asset
2. The method of costing used in refinery is \_\_\_\_\_  
a. job costing b. batch costing c. process costing d. contract costing
3. Basic objective of management accounting is \_\_\_\_\_  
a. to ascertain profit or loss  
b. to settle disputes between management and workers  
c. to report to different levels of management on performance  
d. to clear doubts to managers
4. At Break even point, total cost is equal to \_\_\_\_\_  
a. sales b. profit c. expenses d. margin of safety
5. Income from long term investments is \_\_\_\_\_  
a. source of cash b. application of cash  
c. cash inflow from operations d. cash outflow from operations

**ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES****(K2)**

6. Define Book keeping
7. Define Cost Accounting
8. What is Master Budget ?
9. Give the meaning of Break Even Point
10. What are non-current assets?

**SECTION – B****(5 X 5 = 25 MARKS)****ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K3)**

11. a) Explain the Accounting Conventions  
**(OR)**  
b) Discuss the limitations of Accounting
12. a) Explain the functions of Cost Accounting  
**(OR)**  
b) Prepare a cost sheet from the following information.

Labour	- Rs.1,50,000
Prime cost	- Rs.3,50,000
Factory expenses	-Rs.98,000
Office expenses	- Rs.85,000

10 % of the output is in stock and the sales total up to Rs.5,10,000

(CONT..2)

Ethical paper

13. a) Draw up a flexible budget for 75 % capacity on the following data for 50% capacity

	Per Unit(Rs.)
Materials	100
Labour	50
Variable expenses(direct)	10
Administrative expenses(50% fixed)	40,000
Selling and distribution expenses	50,000
Present production (50% capacity)	1,000 units

**(OR)**

- b) From the following ,prepare a Production Budget of Sudhan Corporation for the year ending on 30<sup>th</sup> June 2022

SERIAL.NO	Product	Sales(Units)	Estimated Stock(units)
	As per Sales Budget	1.7.2021 TO	1.7.2022
A	1,50,000	14,000	15,000
B	1,00,000	5,000	4,500
C	70,000	8,000	8,000

- 14.a) Calculate material cost variances from the following data

Standard                      Actual

Quantity	400 kgs	460 kgs
Price	Rs.2 per kg	Rs.1.50 per kg
Value	Rs.800	Rs.690

**(OR)**

- b) From the following information find out P/V ratio and margin of safety

Sales	Rs.10,00,000
Variable cost	Rs.4,00,000
Fixed cost	Rs.4,00,000

- 15.a) Ascertain the changes in working capital from the following

	Rs.
i. Increase in some items in current assets	12,000
ii. Decrease in some items in current assets	9,000
iii. Increase in some items of current liabilities	10,000
iv. Decrease in some items of current liabilities	12,000

**(OR)**

- b) Compute Cash from operations from the following

	Rs.
Net Profit for the year 2016-17	80,000
Depreciation written off on Fixed Assets	11,000
Profit on sale of building	22,000
Loss on Sale of Machine	13,000
Increase in Current Assets (Except cash)	46,000
Increase in Current Liabilities	29,000

(CONT....3)

**ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.(K4 (Or) K5)**

16. a) Distinguish between capital and revenue expenditure

**(OR)**

b) Explain the objectives of Accounting

17. a) A Manufacturing concern requires a statement showing the result of its production operation for Sep.2010. Cost records give the following information prepare cost sheet.

	1.9.2010	30.9.2010
	Rs.	Rs.
Raw materials	1,00,000	1,23,500
Finished goods	71,000	42,000
Work-in-progress	31,000	34,500

**Transaction's during the month of September 2010:**

Purchase of Raw materials	88,000
Direct wages	70,000
Works expenses	39,500
Administrative expenses	13,000
Selling and Distribution expenses	15,000
Sales	2,84,000.

**(OR)**

b) From the following particulars, prepare a cost statement

Stock on 1.1.2018 Raw Materials	30,500
Finished goods	20,400
Stock 31.1.2018 Raw Materials	48,500
Finished goods	10,000
Purchase of Raw Materials	25,000
Work in progress 1.1.2018	8,000
Work in progress 31.1.2018	9,000
Sales	95,000
Direct wages	20,400
Factory expenses	10,500
Office expenses	5,400
Selling expenses	3,800
Distribution expenses	2,500

Also calculate the percentage of works expenses to direct wages and the percentage of office expenses to works cost

(CONT....4)

