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Roll No.

BBA-301

B. B. A. (THIRD SEMESTER)

END SEMESTER

EXAMINATION, Jan., 2023

ACCOUNTING FOR MANAGERS

Time :Three Hours

Maximum Marks : 100

Note : (i) All questions are compulsory.

(ii) Answer any *two* sub-questions among
(a), (b) and (c) in each main question.

(iii) Total marks in each main question are
twenty.

(iv) Each sub-question carries 10 marks.

1. (a) Distinguish between Management Accounting and Financial Accounting. Also, distinguish between Management Accounting and Cost Accounting ? (CO3)

P. T. O.

(2)

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- (b) Define Cost reduction and Cost Control.
Explain the difference between the two.

(CO1)

- (c) Discuss the various basis for classification of Cost. Explain with examples. (CO1)

2. (a) What is a Cost Sheet ? What are the objectives of preparing it ? Explain each stage by showing the whole pro forma.

(CO2)

- (b) The following information has been obtained from the records of XYZ Ltd. for the period 01 November, 2022 to 30 November, 2022. Prepare a Cost Sheet :

(CO5)

Raw Materials as on 1 Nov., 2022	30,000
Purchase of raw material during the month	4,50,000
Wages Paid	2,30,000
Factory Overhead	92,000

(3)

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Cost of Work in Progress as on 1 Nov., 2022	12,000
Cost of Raw Material as on 30 Nov., 2022	15,000
Cost of stock of finished goods as on 1 Nov., 2022	60,000
Cost of stock of finished goods as on 30 Nov., 2022	55,000
Selling and distribution overheads	20,000
Sales	9,00,000
Administrative Overheads	30,000

- (c) A factory, ABC Ltd. manufacturing sewing machines has capacity to manufacture 500 machines per year. Variable Cost of each machine is ₹ 200. Selling Price per machine is ₹ 250. Fixed Overheads are ₹ 12,000 per annum. Calculate : (CO4)

- (i) Break even points for output and sales
(ii) Profit at 70% of production capacity

P. T. O.

3. (a) Explain the following terms of CVP analysis : Break Even Point, Contribution, P/V Ratio, and Margin of Safety. Also give a diagrammatic representation of Break-Even point. (CO3)

(b) Explain different types of Budgets and Budgetary methods. (CO2)

(c) A company produces 1000 units at 100% production capacity level. The cost at this level are as follows : (CO4)

Fixed Cost ₹ 5,000.

Variable Cost ₹ 3 per unit

Semi Variable Cost ₹ 4 per unit (40% is variable)

Prepare flexible budget for 60%, 80% and 100% production level.

4. (a) From the following information, prepare Cash from Operations : (CO5)

Particulars	31 Dec., 2018 (₹)	31 Dec., 2019 (₹)
Debtors	50,000	45,000
Bills Receivable	10,000	12,000
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	—	1,50,000

(b) Explain the various types of business activities that lead to the generation of Cash inflows and Cash Outflows. (CO1)

(6)

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- (c) Explain Cash Flow Statement. How is it different from Fund Flow Statement ?

(CO3)

5. (a) Name the different types of financial statements. (CO2)
- (b) Explain different types of Ratios with formulas. Discuss the significance of various ratios. (CO4)
- (c) Calculate Liquidity Ratio and Leverage Ratio from the following Balance Sheet Data : (CO5)

Liabilities	Amount (₹)
Equity Capital	40,000
8% Preference Capital	20,000
Reserves and Surpluses	10,000
10% Debentures	45,000
Profit and Loss Account	5,000
Trade Creditors	9,000
Outstanding Expenses	2,000
Provision for taxation	3,000
Proposed Dividend	6,000
Total	1,40,000

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Assets	Amount (₹)
Land	22,000
Building	24,000
Plant and Machinery	38,000
Sundry Debtors	22,000
Cash at Bank	14,000
Furniture	5,000
Stock	13,000
Prepaid expenses	2,000
Total	1,40,000

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