

19U422

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Name:

Reg. No:

FOURTH SEMESTER B.B.A. DEGREE EXAMINATION, APRIL 2021

(CBCSS - UG)

CC19U BBA4 B06 - COST & MANAGEMENT ACCOUNTING

(Commerce - Core Course)

(2019 Admission - Regular)

Time: 2 ½ Hours

Maximum: 80 Marks

Credit: 4

Part A (Short answer questions)

Answer *all* questions. Each question carries 2 marks.

1. What is batch costing? Define operation costing.
2. What is prime cost?
3. What do you mean by direct expense?
4. Write four objectives of management accounting?
5. Write two difference between financial accounting and management accounting?
6. What is maximum level?
7. What is LIFO method?
8. What are the advantages of weighted average price method?
9. Distinguish between cost allocation and cost apportionment.
10. What is work cost?
11. In what type of concerns job costing is applicable?
12. How is abnormal gain treated in process a/c?
13. What are the four importance of contribution?
14. Give the Equation of BEP.
15. What is a functional budget?

(Ceiling: 25 Marks)

Part B (Paragraph questions)

Answer *all* questions. Each question carries 5 marks.

16. Differences between cost accounting and financial accounting.
17. Distinguish between opportunity cost and imputed cost.
18. What are the objectives of materials control?

19. Calculate Machine Hour Rate from the following:

- Cost of Machine Rs.19200
- Estimated scrap value Rs.1200
- Average repair and maintenance charges per month Rs.150
- Standing charges allocated to machine per month Rs.50
- Effective working life of machine 10000 hours
- Running time per month 166 hours
- Power used by machine: 5 units per hour @ 19paise per unit

20. From the following particulars prepare the cost sheet for the Job no.100 and find out the value of job:

Materials	Rs. 6000
Productive wages	Rs.4600
Direct expenses	Rs.500

Provide 60% on productive wages for works on cost and 12.5% on works on cost for office on cost. Profit to be realized on the selling price 15%

21. Find out fixed cost with the help of P/V ratio.

Sales	₹ 4,00,000
P/V ratio	30%
Profit	₹ 40,000

22. What is cash budget? What are the advantages of it?

23. Prepare a flexible budget at 80% and 100% activity on the basis of the following information.

Production at 50% capacity	5000 units
Raw materials	₹ 80 per unit
Direct labour	₹ 50 per unit
Expenses	₹ 15 per unit
Factory expenses	₹ 50,000 (50%)
Administrative expenses	₹ 60,000 (60%)

(Ceiling: 35 Marks)

Part C (Essay questions)

Answer any *two* questions. Each question carries 10 marks.

24. Find out: (a) P. V ratio, (b) BEP (c) Net profit for the sale of Rs. 3,00,000 (d) Required sales for the net profit of Rs. 70,000

Position of A Ltd. for the year 2020.

Sales	2,00,000
Variable Overhead	1,50,000
Gross profit	50,000
Fixed Cost	15,000
Net Profit	35,000

25. Define marginal costing. What are the advantages and limitations of marginal costing?

26. A product passes through two distinct processes A and B thereafter to finished stock.

From the following information, you are required to prepare the process accounts.

	Process A	Process B
Material consumed	12,000	6,000
Direct labour	14,000	8,000
Manufacturing expenses	4,000	4,000
Input in Process A (units)	10,000	----
Input in value (T)	10,000	----
Output (units)	9,400	8,300
Normal wastage	5%	10%
Value of normal wastage per 100 units	8	10

27. Distinguish between budgeting & budgetary control. Highlight the essentials and limitations of budgetary control.

(2 × 10 = 20 Marks)
