



QP CODE: 24019151



24019151

Reg No :

Name :

**BBA DEGREE (CBCS) REGULAR / IMPROVEMENT / REAPPEARANCE
EXAMINATIONS, MAY 2024**

Second Semester

Bachelor of Business Administration

Core Course - BA2CRT06 - COST AND MANAGEMENT ACCOUNTING

2017 ADMISSION ONWARDS

D14E2DDC

Time: 3 Hours

Max. Marks : 80

Part A

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. What is costing ?
2. "Cost accounting is a tool for consumers on purchase decisions ".Comment on it.
3. What is selling and distribution cost? Give examples.
4. List any four advantages of decentralised purchasing.
5. What do you mean by material scrap?
6. Define the term labour turnover.
7. What is Production overheads? Give examples.
8. What is cost allocation?
9. Give any two differences between management accounting and cost accounting.
10. What is ZBB ?
11. What is standard cost ?
12. What is labour variance?

(10×2=20)

Part B

*Answer any **six** questions.*

*Each question carries **5** marks.*





13. Distinguish between cost accounting and financial accounting.
14. Explain (a) Cost centre (b) Profit centre (c) Cost unit
15. From the following information find out EOQ and number of order placed in a year.
 Annual usage: 160 units.
 Buying cost per order Rs. 24
 Price per unit Rs. 120
 Storage and carrying cost as a percentage of average inventory 12%
16. From the following prepare a stores ledger using simple average pricing method
- | Date | Transactions | Units | Rate |
|--------|-----------------|-----------|------|
| Jan 1 | Opening balance | 100 | 2 |
| Jan 2 | Received | 500 units | 2.20 |
| Jan 5 | Received | 300 units | |
| Jan 8 | Issued | 200 units | |
| Jan 10 | Received | 600 units | 2.40 |
| Jan 12 | Received | 300 units | 2.60 |
| Jan 14 | Issued | 250 units | |
17. The following data were obtained from the books of a manufacturing concern for the year ended March 31, 2018.
- Rent 10,000
 Repairs to plant 6,000
 Depreciation of plant 4,500
 Employer's liability for insurance 1,500
 Supervision 15,000
 Fire insurance in respect of stock 5,000
 Power 9,000
 Light 1,200
- | | Dept. A | Dept. B | Dept. C | Dept. D |
|---------------------|----------|---------|---------|---------|
| Area(sq.mtr) | 1,500 | 1,500 | 500 | 500 |
| Number of employees | 40 | 10 | 5 | 5 |
| Total wages | 15,000 | 20,000 | 10,000 | 5,000 |
| Value of plant | 1,00,000 | 75,000 | 20,000 | 5,000 |
| HP of plant | 35 | 20 | 15 | 5 |
| Value of stock | 1,20,000 | 80,000 | 60,000 | 40,000 |
- You are required to prepare primary distribution summary showing the basis of apportionment.
18. Distinguish between over absorption and under absorption of overhead.
19. Explain the major objectives of budgetary control.





20. From the information given below, calculate P/V Ratio, Fixed expenses, Expected profit if sales is budgeted at Rs. 90, 000.

Year	Sales	Profit
2004	1,80, 000	30, 000
2005	2, 60, 000	50, 000

21. Discuss the objectives Cost Volume profit analysis.

(6×5=30)

Part C

Answer any **two** questions.

Each question carries **15** marks.

22. From the following particulars , prepare a Cost statement showing the component of Total cost and profit for the year ended 31st December 2017.

Purchase of raw materials	3,65,000
Carriage in wards	15,500
General expenses	35,800
Power expenses	12,750
Wages	1,50,000
Stock of raw materials 1.1.2017	50,000
Stock of raw materials 31.12.2017	72,000
Direct expenses	53,000
factory rent and rates	8,550
Factory employees salary	72,000
Work -in-progress 1.1.2017	17,000
Work -in-progress 31.12..2017	15,000
Work managers salaries	45,000





Insurance (office)	4,800
Rent (office building)	15,000
Selling expenses	12,800
Show room rent	14,000
Sales for the year	9,40,000

23. The net profit of a company shows Rs.1,28,755 as per financial accounts. Prepare a statement of reconciliation.

Works overhead under recovered in cost books	Rs.3,120
Administrative overhead recovered in excess	Rs.1,700
Depreciation recovered in cost accounts	Rs.12,500
Depreciation charged in financial accounts	Rs.11,200
Interest on investment not included in cost books	Rs.8,000
Loss due to obsolescence charged in financial books	Rs.5,700
Income tax provided in financial accounts	Rs.40,300
Bank interest and transfer fee credited in financial accounts	Rs.750
Stores adjustments (credited in financial accounts)	Rs.475
Loss due to depreciation (charged in financial accounts)	Rs.6,750

24. The net profit of a manufacturing company appeared at Rs. 60,500 as per financial records for the year ended 31st March, 2019. A detailed comparison of the figures contained in both ,sets of books revealed the following factors responsible for their disagreement :Prepare a reconciliation statement.

Directors Fees not charged in cost accounts - Rs7,500
Works Overhead under-recovered in costs –Rs 1,500
Loss due to Obsolesce charged in financial accounts -Rs 3,500
Administrative overheads over-recovered in costs- Rs 1,800
Depreciation charged in financial accounts –Rs 10,000
Depreciation recovered in costs- Rs 12,000
Income Tax provided in financial accounts –Rs 54,500
Interest on Investments not included in costs – Rs 5,000
Transfer Fees credited in financial accounts -Rs 2,500
Fine paid not included in costs - Rs1,200
Discount on issue of debentures written off in financial accounts- Rs 2,000

25. Explain with examples how does management accounting help in planning and control functions of management.

(2×15=30)

