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B.B.A. (Part - II) (Semester - III) Examination, 2013**COST & MANAGEMENT ACCOUNTING (Paper - I)****Sub. Code : 43937****Day and Date : Tuesday, 30 - 04 - 2013****Total Marks : 40****Time : 3.00 p.m. to 5.00 p.m.**

- Instructions :**
- 1) All questions are compulsory.
 - 2) Figures to the right indicate full marks.

Q1) What is meant by ' Management Accounting '? Discuss its scope, advantages & disadvantages. **[14]**

OR

Prepare a Cash Budget for three months ending 30th June 2006 from the information given below :

a) Month	Sales Rs.	Materials Rs.	Wages Rs.	Overheads Rs.
February	14,000	9,600	3,000	1,700
March	15,000	9,000	3,000	1,900
April	16,000	9,200	3,200	2,000
May	17,000	10,000	3,600	2,200
June	18,000	10,400	4,000	2,300

- b) Credit terms are - Sales and debtors - 10 % sales are on cash, 50% of the credit sales are collected next month and balance in the following month.

Creditors -	Materials	2 months
	Wages	1/4 month
	Overheads	1/2 month

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- c) Cash and bank balance on 1st April 2006 is expected to be Rs 6000.
- d) Other relevant information are :-
- Plant and machinery will be installed in February 2006 at a cost of Rs. 96,000. The monthly instalment of Rs. 2,000 is payable from April onwards
 - Dividend @ 5% on preference share capital of Rs. 2,00,000 will be paid on 1st June.
 - Advance to be received for sale of vehicles Rs. 9,000 in June.
 - Dividends from investments amounting to Rs. 1,000 are expected to be received in June.
 - Income Tax (advance) to be paid in June is Rs 2,000.

Q2) Attempt any **Two** of the following :-

- a) The following data is given : [8]

	(Rs)
Selling Price	20 per unit
Variable Manufacturing costs	11 per unit
Variable Selling costs	3 per unit
Fixed factory overheads	5,40,000 per year
Fixed selling costs	2,52,000 per year

You are required to Compute :-

- Break - even point expressed in amount of sales in Rupees.
 - Number of units that must be sold to earn a profit of Rs. 60,000 per year.
 - How many units must be sold to earn a net profit of 10% of sales.
- b) From the following data Calculate :- [8]
- Material price variance.
 - Material usage variance.
 - Material Mix variance.

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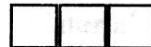
Raw material	Standard	Actual
X	40 units @ Rs. 50 per unit	50 units @ Rs. 50 per unit
Y	60 units @ Rs. 40 per unit	60 units @ Rs. 45 per unit

Total	100 units	110 units

- c) What do you mean by Marginal Costing? Explain its limitations in brief. [8]

Q3) Write short notes. (Any Two): [10]

- Budgetary Control System
- Margine of Safety.
- Functions of Management Accounting.
- Limitations of Standard Costing.



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BBA (Part - II) (Sem. - III) Examination, Nov. - 2013
COST AND MANAGEMENT ACCOUNTING (Paper - I)

Sub. Code : 43937

Day and Date : Tuesday, 26 - 11 - 2013 **Total Marks : 40**

Time : 3.00 p.m to 5.00 p.m.

- Instructions :** 1) All questions are compulsory.
2) Figures to the right indicate full marks.

Q1) A company producing a single article sells it at Rs. 10 each. The marginal cost of production is Rs. 6 and fixed cost is Rs. 400 per annum. You are asked to calculate the following : [14]

- Profit / Volume Ratio
- The Break - Even sales
- The sales to earn profit of Rs. 500.
- Profit at sales of Rs. 3000.

OR

What do you understand by Management Accounting? State and explain any four functions of Management Accounting.

Q2) Write short answers (any two) :- [16]

- Distinguish between Management Accounting and Cost Accounting.
- Write and explain the steps involved in the preparation of cash budget.
- Prepare a cash budget for the quarter - ended 30th sept. 2007 based on the following information.

Cash in bank on 1 st July 2007	Rs. 25,000
Salaries and wages estimated monthly	Rs. 10,000
Interest payable - August 2007	Rs. 5,000

Particulars	June (Rs.)	July (Rs.)	August (Rs.)	September (Rs.)
Estimated cash sales	-	1,40,000	1,52,000	1,21,000
Credit sales	1,00,000	80,000	1,40,000	1,20,000
Purchases	1,60,000	1,70,000	2,40,000	1,80,000
Other expenses payable in same month	-	20,000	22,000	21,000

P.T.O.

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Credit sales are collected 50% in the month of sales are made, and 50% in the month following. Collection from credit sales are subject to 5% discount if payment is received in the month of sales, and 2.5%. If payment is received in the following month. Creditors are paid either on a prompt or 30 days basis. It is estimated that 10% of the creditors are in the prompt category.

- d) What do you mean by standard costing? Write any four advantages of standard costing system.

Q3) Write short notes (any two) :- [10]

- a) Functional budgets
- b) Setting of standards.
- c) Break - Even-point analysis.
- d) Master budget.



Particulars	July (Rs.)	August (Rs.)	September (Rs.)
Estimated cash sales	1,40,000	1,52,000	1,51,000
Credit sales	1,00,000	1,40,000	1,20,000
Purchases	1,60,000	2,40,000	1,80,000
Other expenses	-	22,000	21,000
Balance in bank on 1 July 2007	Rs. 25,000		
Salaries and wages estimated monthly		Rs. 10,000	
Interest payable - August 2007		Rs. 2,000	

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B.B.A. (Part - II) (Semester - III) Examination, April - 2014
COST AND MANAGEMENT ACCOUNTING (Paper - I)
Sub. Code : 43937

Day and Date : Friday, 04 - 04 - 2014
 Time : 3.00 p.m. to 5.00 p.m.

Total Marks : 40

- Instructions : 1) All questions are compulsory.
 2) Figures to the right indicate full marks.

Q1) A company is expecting to have Rs.25000 cash in hand on April 2012 and it requires you to prepare as estimate of cash position during the three months, April to June 2012. The following information is supplied to you. [14]

<u>Months</u>	<u>Sales</u>	<u>Purchases</u>	<u>Wages</u>	<u>Expenses</u>
Feb	Rs.70,000	Rs.40,000	Rs.8,000	Rs.6,000
March	80,000	50,000	8,000	7,000
April	92,000	52,000	9,000	7,000
May	1,00,000	60,000	10,000	8,000
June	1,20,000	55,000	12,000	9,000

Other information

- a) Period of credit allowed by suppliers: two months.
 b) 25% of sales is for cash and the period of credit allowed to customers for credit
 Sales : one month.
 c) Delay in payment of wages and expenses: one month.
 d) Income tax Rs.25,000 is to be paid in June 2012.

OR

Define Management Accounting? Discuss the functions & scope of Management Accounting? [14]

Q2) Write Short Answers (2 out of 4) [16]

- a) The Price and cost structure of a product in a company are as follows.
- | | |
|---------------|-----------------|
| Selling Price | Rs.30 Per Piece |
| Variable Cost | Rs.9 Per Piece |

P.T.O.

Fixed cost are :-

Manufacturing	Rs.2,25,000 per annum
Administrating	Rs. 36,000 per annum
Selling	Rs. 39,000 per annum

- i) Compute B.E.P in units
 - ii) Compute B.E.P in value(Rs.)
 - iii) In order to make a profit of Rs.60,000, what should be the level of sales? (In Rs.)
- b) The following information is given in respect of a materials
- | | | |
|-------------------|---|----------------|
| Standard Quantity | : | 1,000 units |
| Actual Quantity | : | 1,040 units |
| Standard Price | : | Rs.20 Per unit |
| Actual Price | : | Rs.22 Per unit |
- Calculate: i) Material Cost Variance
ii) Material Price Variance
iii) Material Usage Variance
- c) What are the objectives of Budgetary Control?
Explain the operation of Budgetary Control?
 - d) Define the term marginal costing and Explain the Basic characteristics of marginal costing.

Q3) Write Short Notes (2 out of 4)

[10]

- a) Write any five differences between Management Accounting and Financial Accounting.
- b) Discuss in brief the advantages of Standard Costing.
- c) Types of Budgets
- d) Explain the term contribution, P.V. ratio & B.E.P.

