| Seat No. | |
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# B.B.A. (Part - II) (Semester - III) Examination, May - 2018
## COST AND MANAGEMENT ACCOUNTING (Paper - I)
### Sub. Code : 43937

**Day and Date : Saturday, 05 - 05 - 2018** **Total Marks : 40**

**Time : 03.00 p.m. to 05.00 p.m.**

**Instructions :** 1) **All questions are compulsory.**

2) **Figures to the right indicate full marks.**

*Q1)* A company is expecting to have Rs. 6000/- cash in hand on 1st April 2013 and it requires you to prepare cash Budget for the three months April to June 2013. The following information is supplied to you. **[14]**

| Month | sales (Rs) | Purchases (Rs) | Wages (Rs) | Expenses (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 |

Other Information:

a) Credit terms are - sales and debtors - 10% sales are on cash, 50% of the credit sales are collected next month and the balance in the following month. **[14]**

b) Creditors - Materials 2 months period, wages - ¼ month, overheads ½ month.

c) Plant and Machinery will be installed in february 2013 at a cost of Rs. 96,000. The monthly instalments of Rs. 2,000 is payable from April onwards.

d) Dividend @ 5% on preference share capital Rs. 2,00,000 will be paid on 1st June.

e) Sale of vehicles Rs. 9,000 in June.

f) Dividend on Investment to be received in June Rs. 1,000

g) Income tax (Advance) to be paid in June Rs. 2,000.

OR

What do you understand by Management Accounting state and explain the scope of Management Accounting.

***Q2)*** Solve any two. **[16]**

a) The following data is given:

Fixed cost = Rs. 12,000 (total)

Selling price = Rs. 12 per unit

Variable cost = Rs. 9 per unit

What will be the BEP? What will be the profit when sales are

i) Rs. 60,000

ii) Rs. 1,00,000

b) Prepare a flexible budget for production at 80 percent and 100 percent activity on the basis of the following information:

Production at 50% capacity - 5,000 units

Raw Materials Rs. 80 per unit

Direct labour Rs. 50 per unit

Direct expenses Rs. 15 per unit

Factory expenses Rs. 50,000 (50% fixed)

Administration expenses Rs. 60,000 (60% variable).

c) Define standard costing. State the concept of standard cost and standard costing.

d) Distinguish between Management Accounting and cost Accounting.

***Q3)*** Write short notes (Any Two) **[10]**

a) Capital Budget

b) Break Even Analysi's

c) Functions of Management Accounting

d) Limitation of standard costing.

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