



21103120

QP CODE: 21103120

Reg No :

Name :

**BBA DEGREE (CBCS) REGULAR / REAPPEARANCE EXAMINATIONS,
DECEMBER 2021**

Second Semester

Bachelor of Business Administration

Core Course - BA2CRT06 - COST AND MANAGEMENT ACCOUNTING

2017 ADMISSION ONWARDS

CBF47FB9

Time: 3 Hours

Max. Marks : 80

Part A

*Answer any **ten** questions.*

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

1. What is costing?
2. List any two differences between cost accounting and financial accounting.
3. What is Opportunity cost?
4. What are the main duties of a storekeeper?
5. Distinguish between payment by results and payment by attendance.
6. List any four effects of labour turnover.
7. What is Variable overheads? Give examples.
8. What is under absorption of overhead?
9. Give any two differences between management accounting and cost accounting.
10. What is capital expenditure budget?
11. What is contribution?
12. What is angle of incidence? Illustrate it.

(10×2=20)

Part B

*Answer any **six** questions.*

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

13. List out the demerits of cost accounting.
14. Differentiate between cost centre and cost unit.





15. Explain the need for material control.
16. Explain briefly the various stock levels maintained in an organisation.
17. Distinguish between cost allocation and apportionment.
18. The following data were obtained from the books of an Engineering concern for the year ended March 31, 2018.

Rent and taxes 6,000
 Repairs and maintenance 12,000
 Depreciation 60,000
 Stores overhead 4,000
 Labour welfare 30,000
 General overheads 40,000
 Motive Power 15,000
 Electric lighting 2,000

	Dept. A	Dept. B	Dept. C	Dept. D	Dept. E
Direct wages	70,000	60,000	50,000	10,000	10,000
Direct material	30,000	25,000	20,000	15,000	10,000
Electricity KWH	800	600	600	200	300
Light points	100	150	150	50	50
Area(sq.mtr)	8,000	6,000	6,000	2,000	2,000
Number of employees	200	150	150	50	50
Asset value	5,00,000	3,00,000	2,00,000	1,00,000	1,00,000

You are required to prepare primary distribution summary showing the basis of apportionment.

19. What are the main steps involved in budgetary control?
20. Explain the advantages of standard costing.
21. Explain the different classification of labour variance.

(6×5=30)

Part C

*Answer any two questions.
 Each question carries 15 marks.*

22. The following information has been obtained from the cost records of Greenhouse Ltd , for the year ending 31st March 2018.

Raw materials	70,000
Carriage inwards	2,000
Factory rent	24,000
Bad debts	440
Printing and stationery	620





Legal charges	350
Carriage outwards	1,540
Indirect materials	560
Power	4,600
Depreciation on furniture	160
Postage	510
Repairs of plant and machinery	1,100
Salesmen's expenses	600
Advertisement	450
Direct wages	85,000
Managers salary	35,000
Factory manager salary	17,750
Depreciation on plant and machinery	1,300
Audit fee	450
Interest on debenture	10,000

Prepare statement showing the following:

- a) Prime cost b) Works cost c) Cost of production d) Cost of sales

23. Describe the various methods of pricing issue of materials.
24. The net profits of a manufacturing company appeared at Rs. 86,460 as per cost records for the year ended 31st December, 2018. A careful scrutiny of the figures from both the sets of accounts revealed the following facts.
- a) Income-tax provided in financial books Rs. 20,000
 - b) Bank Interest (Cr) in financial books Rs. 250
 - c) Work overhead under recovered Rs. 1,550
 - d) Depreciation charged in financial records Rs. 5,600
 - e) Depreciation recovered in cost Rs. 6,000
 - f) Administrative overheads over-recovered Rs. 850
 - g) Loss due to obsolescence charged in financial accounts Rs. 2,800
 - h) Interest on Investments not included in cost accounts Rs. 4,000
 - i) Stores adjustments (Credit in financial books) Rs. 240
 - j) Loss due to depreciation in stock value Rs. 3,350

Prepare Reconciliation Statement.

25. Explain the objectives of management accounting.

(2×15=30)

