



22103080

QP CODE: 22103080

Reg No :

Name :

**BBA DEGREE (CBCS) REGULAR / IMPROVEMENT / REAPPEARANCE
EXAMINATIONS, OCTOBER 2022**

Second Semester

Bachelor of Business Administration

Core Course - BA2CRT06 - COST AND MANAGEMENT ACCOUNTING

2017 ADMISSION ONWARDS

9B2A00CB

Time: 3 Hours

Max. Marks : 80

Part A

*Answer any **ten** questions.*

Each question carries 2 marks.

1. List any four objectives of cost accounting.
2. What is cost unit?
3. What is sunk cost?
4. What is perpetual inventory system?
5. What is time keeping?
6. What is labour turnover?
7. What is Selling and distribution overheads? Give examples.
8. What is cost apportionment?
9. List any four advantages of management accounting.
10. What is cash budget?
11. What is angle of incidence? Illustrate it.
12. Bring out any four advantages of standard costing.

(10×2=20)

Part B





Answer any **six** questions.
Each question carries **5** marks.

13. Explain the importance of cost accounting.
14. The following information relates to Thomas & co. Ltd. For the three months ending 31 st March 2017.

Direct materials consumed	20,000
Direct labour paid	10,000
Direct expenses	5,000
Factory overheads	7,000
Administrative overheads	3,500
Selling and distribution overheads	4,500
Sales	60,000

Prepare cost sheet showing a) prime cost b) Factory cost
c) Cost of production d) Cost of sales e) Profit

15. Explain the objectives of material control.
16. Two types of materials A and B are used as follows:
Minimum usage - 20 units per week each
Normal usage - 40 units per week each
Maximum usage - 60 units per week each
Re-order Quantity (EOQ) - A 400 units, B 600 units
Reorder Period: A : 3 to 5 weeks, B: 2 to 4 weeks
Calculate for two types of materials:
(a) Re-order Level
(b) Minimum Level
(c) Maximum Level
(d) Average Stock Level
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. List the items shown only in financial accounts.
19. Explain the disadvantages of budgetary control
20. Write a short note on: (a) Contribution(b)Profit volume ratio (c) Break Even Point (d) Total cost (e) Margin of safety
21. The standard material required to manufacture one unit of product A Rs 10 kgs. and the standard price per kgs of material is Rs 50.The cost accounts records, however, reveal that 11500 kgs of materials costing Rs 5,52,000 were used for manufacturing 1000 units of product.
Calculate:(a) Material Usage Variance (b) Material Price Variance (c) Material Cost Variance

(6×5=30)

Part C

Answer any **two** questions.

Each question carries **15** marks.

22. Distinguish between cost accounting and management accounting.
23. The following transactions occur in the purchase and issue of a material .Prepare LIFO method of stores ledger.

Date	Transactions	Units	Rate
Jan 2	Purchased	500 units	5
Jan 20	Purchased	700 units	5.5





Feb 5	Issue	600	
Feb 4	Purchase	200	7
Feb 20	Issue	100	
Feb 27	Returned to store	50 units issued on Feb-5	
Mar 2	Purchased	200 units	6
Mar 15	Issue	600 units	
Mar 17	Purchase	200 units	7
Mar 28	Issue	100 units	
Mar 31	Issue	250 units	

On 10th March, stock verification revealed a shortage of 10 units.

24. From the following figures, Prepare a Reconciliation Statement.

Net profit as per costing books 66,760

Factory overhead under recovered in costing 5,700

Administration overhead recovered in excess 4,250

Depreciation charged in financial books 3,660

Depreciation recovered in costing 3,950

Interest received but not included in costing 450

Income tax provided in financial books 600

Bank interest credited in financial books 230

Stores adjustment (credited in financial books) 420

Depreciation of stock charged in financial accounts 860

Dividends appropriated in financial accounts 1,200

Loss due to theft and pilferage provided in financial books 260

25. Define management accounting. Explain the scope and functions of management accounting.

(2×15=30)

