

FACULTY OF MANAGEMENT

BBA V – Semester (CBCS) Examination, November / December 2019

Subject: Cost and Management Accounting

Course No. BB – 504

Max. Marks: 80

Time: 3 Hours

PART – A (5x4 = 20 Marks)
[Short Answer Type]

Note : Answer any FIVE of the following questions.

1 Answer the following in not exceeding 20 lines.

- a) Write the nature of Cost Accounting
- b) Explain the elements of cost
- c) What are the features of FIFO method?
- d) Distinguish Normal Vs Abnormal Loss
- e) State the nature of process costing
- f) Enumerate the objectives of joint cost analysis
- g) Give three assumptions of breakeven charts
- h) What is Fixed Budget?

PART – B (5x12 = 60 Marks)
[Essay Answer Type]

Note: Answer the following questions in not exceeding four pages each, using internal choice.

2 a) State the scope and essentials of good Cost Accounting System.

OR

b) Explain fully the concept of 'Cost'. Distinguish between Direct Cost and Indirect Cost.

3 a) Describe the steps required in accounting overheads.

OR

- b) No. of units introduced in the process – 4,000 Nos.
No. of units completed and transferred to Process B – 3,200 Nos.
No. of units in process at the end of the period – 800 Nos.

State of Completion:

Material 80%

Labour 70%

Overhead 70%

Normal process loss at the end of the process – 200 units

Value of scrap – Re. 1 per unit

Value of raw materials – Rs. 7,480

Wages – Rs. 10,680

Overheads – Rs. 7,120

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From the above data, you are required to calculate:

- i) Equivalent Production
- ii) Cost per unit of Equivalent Production, and
- iii) Prepare the necessary accounts.

- 4 a) What are the three most common methods of allocating joint costs to joint products?

OR

- b) The total joint cost of products A, B and C till the split off point is Rs. 100. The market prices of the products are Rs. 60, Rs. 90 and Rs. 190 respectively. Costs of manufacture beyond the split off point are:

Product A – Rs. 20

Product B – Rs. 10 and

Product C – Rs. 30

You are required to apportion the joint costs according to the market prices at the split off point.

- 5 a) ~~Enumerate the users of Accounting Information.~~

OR

- b) "Cost-Volume-Profit analysis is helpful for profit planning". Explain.

- 6 a) ~~What is meant by responsibility centres? Explain their utility to management.~~

OR

- b) ~~Elucidate the significance and advantages of Fixed and Flexible Budgets.~~