Reg.No. \_\_\_\_\_\_\_\_\_\_\_\_



**End Semester Examination – Nov / Dec – 2019**

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| **Code :** | **17BB2008** | **Duration :** | **3hrs** |
| **Sub. Name :** | **MANAGEMENT ACCOUNTING** | **Max. Marks :** | **100** |

**ANSWER ALL QUESTIONS (5 x 20 = 100 Marks)**

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| **Q. No.** | **Sub Div.** | **Questions** | **Course**  **Outcome** | **Marks** |
| 1. | a. | Define Management Accounting. Distinguish between Management accounting and Financial accounting. | CO4 | 10 |
| b. | Enumerate the functions of Management Accounting. | CO2 | 10 |
| **(OR)** | | | | |
| 2. | a. | Differentiate between Management Accounting and cost Accounting. | CO4 | 10 |
| b. | Describe the four key perspectives in balanced score card as a measurement system. | CO2 | 10 |
|  |  |  |  |  |
| 3. | a. | Discuss briefly the techniques of Costing. | CO2 | 10 |
| b. | Following are the data relating to the manufacture of Jeans company. Prepare a cost sheet:  Number of Jeans manufactured during the month 1,000  Direct materials consumed Rs.20,000  Direct labour Rs.8,000  Indirect labour (in factory) Rs.2,500  Supervision costs (in factory) Rs.1,000  Factory premises rent Rs.1,600  Factory lighting Rs. 600  Oil for machines Rs.100  Depreciation of machines Rs.500  Office overheads Rs.8,000  Office salaries Rs.2,000  Misc. office expenses Rs. 1,000  Selling and distribution overheads Rs.6,000  Note: A profit margin of 20% on the total cost of goods is expected on the sale of Jeans. | CO3 | 10 |
| **(OR)** | | | | |
| 4. | a. | Explain the classification of Cost. | CO2 | 10 |
| b. | From the following information obtained from the records of a Manufacturing company:  1.1.2016 31.12.2016  Rs. Rs.  Stock of Raw materials 40,000 50,000  Stock of finished goods. 1,00,000 1,50,000  Stock of work- in-Progress. 10,000. 14,000   |  |  |  |  | | --- | --- | --- | --- | | Indirect Labour | 50,000 | Administration expenses | 1,00,000 | | Lubricants | 10,000 | power | 30,000 | | Insurance on plant | 3,000 | Direct labour | 3,00,000 | | Purchase of raw materials | 4,00,000 | Depreciation on machinery | 50,000 | | Sales commission | 60,000 | Factory rent | 60,000 | | Salaries of salesmen | 1,00,000 | Tax on factory building | 11,000 | | Carriage outward | 20,000 | Sales | 12,00,000 |   Prepare a statement of cost and profit showing :   1. Prime Cost 2. Works cost 3. cost of production 4. cost of sales 5. profit | CO3 | 10 |
|  |  |  |  |  |
| 5. | a. | Explain any five objectives of standard costing. | CO2 | 10 |
| b. | From the following particulars calculate:   1. Material cost variance 2. Material price variance 3. Material usage variance   Standard Actual  X - 40 Kg. at Rs.11 50 kg at Rs. 12  Y- 60 Kg at Rs.12 80 Kg at Rs.14 | CO3 | 10 |
| **(OR)** | | | | |
| 6. | a. | Discuss the prerequisites for the establishment of standard costing. | CO2 | 10 |
| b. | Enumerate the different types of variances. | CO3 | 10 |
|  |  |  |  |  |
| 7. |  | Calculate the following information.   1. P/V ratio 2. BEP 3. Profit when sales or Rs. 100000 4. Sales required to earn a profit of Rs. Rs. 20000 5. Margin of safety in II- Period  |  |  |  | | --- | --- | --- | | Period | Sales | Profit | | I | 120000 | 9000 | | II | 140000 | 13000 | | CO3 | 20 |
| **(OR)** | | | | |
| 8. | a. | Examine the applications of marginal costing technique. | CO4 | 10 |
| b. | A radio manufacturing company wants to make component X 273 Q, the same is available in the market at Rs. 5.75 each, with an assurance of continued supply. The break-down of cost is:   |  |  | | --- | --- | | **Particulars** | **Per unit cost (Rs.)** | | Material | 2.75 | | Labour | 1.75 | | Fixed expenses | 1.25 | | Total | 6.25 |  1. Should you make or buy? 2. What would be your decision if the supplier offered at Rs.4.85/unit? | CO3 | 10 |
|  | | **Compulsory:** |  |  |
| 9. |  | Prepare a flexible budget for overheads on the basis of the following data. Ascertain the overhead rates at 50% and 80% capacity.  **Variable overheads:** At 60% capacity (Rs)  Indirect Material 6,000  Labour 18,000  **Semi‐variable overheads:**  Electricity: (40% Fixed & 60% variable) 30,000  **Repairs: (**80% fixed & 20% Variable) 3,000  **Fixed overheads:**  Depreciation 16,500  Insurance 4,500  Salaries 15,000  Total overheads 93,000  Estimated direct labour hours 1,86,000 | CO3 | 20 |