

BBA

Cost & Management Accounting

BB.-303

Paper ID-C0215

Time Allowed-03 Hrs

Max Marks-60

Section-A

Q1. Answer to each question shall be given in 2-5 lines. All questions are compulsory.

- a) Cost Center
- b) Fund Flow Statement
- c) EOQ
- d) P/V Ratio
- e) Direct Vs Indirect Expenses
- f) Material Cost Variance
- g) Tender Price
- h) Fund in Cash Flow Statement
- i) Sales Budget
- j) Break Even point

10*2=20

Section B

Attempt any four questions

Q2. Cost Accounting is indispensable too of modern management. Comment

Q3. What is meant by Standard Costing? What are advantages of Standard Costing?

Q4. What do you mean by Budget? Give various types of Budget normally business organization prepare.

Q5. From the following figures, prepare a statement reconciling the profits as per the cost accounts and the financial accounts:

i) Profit as per cost accounts	50,000
ii) Overheads, over absorbed	5,555
iii) Depreciation charged in financial accounts	28,000
iv) Depreciation charged in cost accounts	25,000
v) Director's fees shown in financial accounts only	1,000

vi) The company allocated Rs. 2, 000 as provision for doubtful debts	
viii) Share transfer fees received during the year	445
ix) Provision for income tax was	4, 000

Q6. You are given the following information:

Year	Sales	Profit
	Rs.	Rs.
1995	2, 40,000	18,000
1996	2, 80,000	26,000

Assuming that the cost structure and selling price remain unchanged in the two years, find out

- P/V ratio
- Break Even Point
- Fixed cost.
- Profit when sales are Rs. 2,00,000

Q7. A manufacturing company uses Rs. 50, 000 materials per year. The administration cost per purchase is Rs. 50 and Carrying cost is 20% of the average inventory. The company currently has an optimum purchasing policy but has been offered 0.4 percent discount if they purchase five times per year. Should the offer be accepted? If not, what counter offer should be made?

10*4=40

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