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GIET UNIVERSITY, GUNUPUR – 765022

B. B. A (FIRST YEAR – BACK PAPER) Examinations, April' 2021

FBBA 1.4 – Cost and Management Accounting

Time: 2 hrs

Maximum: 50 Marks

Answer **ALL** Questions

All questions carry equal marks

- 1.a. Write limitations of financial accounting. Differentiate between cost accounting and financial accounting.

(OR)

- b. What is cost accounting? Write the objectives and purpose of cost accounting. Distinguish between cost accounting and management accounting.
- 2.a Prepare a cost sheet of the following data relating to the manufacture of Jeans:
Number of Jeans manufactured during the month is 1,000

	Rs.
Direct materials consumed	20,000
Direct labour	8,000
Indirect labour (in factory)	2,500
Supervision costs (in factory)	1,000
Factory premises rent	1,600
Factory lighting	600
Oil for machines	100
Depreciation of machines	500
Office overheads	8,000

(OR)

- b Explain the various classifications of cost from different dimensions in detail.
3. a. Explain the concept of 'marginal costing'. What are the characteristics and assumptions of marginal costing? Explain applications of marginal costing.

(OR)

- b. From the following information calculate:

i) P/V ratio	
ii) Break-even point	
iii) Margin of safety	
	Rs.
Total sales	3,60,000
Selling price per unit	100
Variable cost per unit	50
Fixed cost	1,00,000

4. a. Explain the different methods of Cost Accounting.

(OR)

- b. Prepare a contract account for the year ending 31st December, 2020 whose contract price is Rs.600,000 and commence on 1st April,2020. The other information is as follows:
Materials-Rs.120,000;Wages-Rs.164,400;Plant-Rs20,000;BusinessCharges-Rs.8,600; Cash received on account amounted to Rs240,000 being 80% of work certified; the value of materials on hand at 31st December,2020 was Rs.10,000. Plant is to be depreciated at 10% p.a.

5. a. Define standard costing and discuss the advantages and limitations of standard costing.

(OR)

b. Prepare a job cost sheet from the following:

Direct materials	3000	
Direct wages		4000
Chargeable expenses		1000
Factory overheads		2000
Selling and distribution overheads		2000
Administration overheads		3000

Selling price for the above job was Rs. 18000. you are required to prepare a statement showing the profit earned for the year 2020

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