



K21U 0172

Reg. No. :

Name :



VI Semester B.B.A. Degree (CBCSS – Reg./Supple./Improve.)

Examination, April 2021

(2014-2018 Admissions)

Core Course

6B20BBA : MANAGEMENT ACCOUNTING

Time : 3 Hours

Max. Marks : 40

SECTION – A

Answer **all** questions. **Each** question carries $\frac{1}{2}$ mark.

1. Management accounting facilitate managers for _____
2. Current asset – Current liabilities = _____
3. _____ represents excess of sales over break even sales.
4. _____ is the difference between the standard cost of materials for the actual output and the actual cost of material consumed. ($\frac{1}{2} \times 4 = 2$)

SECTION – B

Answer **any 4** questions. **Each** question carries **1** mark.

5. Define working capital.
6. What is current ratio ?
7. What is marginal costing ?
8. What do you mean by Break Even Point ?
9. What do you mean by budgetary control ?

P.T.O.



10. What is sales budget ?

11. What is standard costing ?

12. What is contribution ?

(1×4=4)

SECTION – C

Answer any 6 questions. Each question carries 3 marks.

13. What are the functions of management accounting ?

14. Explain the different types of financial analysis.

15. Explain the limitations of financial accounting.

16. What are the managerial uses of marginal costing ?

17. Briefly describe the objectives of budgetary control.

18. Describe the limitations of standard costing.

19. Product M requires 100 kgs of materials at the rate of ₹ 40 per kg. The actual consumption of material for the manufacturing of that product came to 120 kgs of materials at the rate of ₹ 45 per kg.

Calculate :

i) Material Cost Variance

ii) Material Price Variance

iii) Material Usage Variance.

20. The following particulars are given :

Sales ₹ 10,00,000

Variable Cost ₹ 6,00,000

Fixed Cost ₹ 2,00,000.

Calculate P/V ratio.



21. Calculate Stock turnover ratio :

Opening stock ₹ 40,000

Purchases ₹ 1,20,000

Carriage on Purchases ₹ 10,000

Sales ₹ 2,00,000

Closing Stock ₹ 30,000.

22. What are the limitations of ratio analysis ?

23. Differentiate between management accounting and financial accounting.

24. Explain the steps involved in standard costing. (3×6=18)

SECTION – D

Answer any 2 questions. Each question carries 8 marks.

25. What is management accounting ? Describe the scope of management accounting.

26. What do you mean by financial analysis ? What are the major tools of financial analysis ?

27. From the following Profit and Loss Account, compute the cash from operation :

	₹		₹
Salaries	10,000	Gross Profit	50,000
Rent	3,000	Profit on sale of land	9,000
Depreciation	5,000	Income tax refund	7,000
Discount	1,000		
Loss on sale of plant	2,000		
Goodwill written off	8,000		
Proposed dividends	10,000		
Provision for tax	10,000		
Net profit	17,000		
	66,000		66,000



28. In a factory 100 workers are engaged and average rate of wages is ₹ 5 per hour. Standard working hours per week are 40 and the standard performance is 10 unit per hour. During the week in February, wages paid for 50 workers at the rate of ₹ 5 per hour, 10 workers at ₹ 7 per hour and 40 workers at ₹ 4 per hour. Actual output was 380 units. The factory did not work for 5 hours due to breakdown of machinery.

Calculate labor variances.

29. From the following particulars, calculate (i) Contribution margin (ii) P/V Ratio (iii) BEP in units and in rupees (iv) What will be the selling price per unit if the BEP is brought down to 25,000 units ? (v) How many units are to be sold to earn a net income of 20% on sales ?

Fixed Expenses ₹ 1,50,000; Variable cost per unit ₹ 10; Selling price per unit ₹ 15.

30. M/s Rakesh and Company supplies you the following information for the year ending 31st December 2020 :

Credit sales ₹ 1,50,000; Cash sales ₹ 2,50,000; Returns inward ₹ 25,000; Opening stock ₹ 25,000; Closing stock ₹ 35,000. Find out :

i) Inventory turnover ratio when gross profit ratio is 20%

ii) Inventory Conversion period.

(8×2=16)