



K23U 0272

Reg. No. :

Name :

VI Semester B.B.A. Degree (C.B.C.S.S. – Supplementary)
Examination, April 2023
(2017 to 2018 Admissions)
Core Course
6B20 BBA : MANAGEMENT ACCOUNTING

Time : 3 Hours

Max. Marks : 40

SECTION – A

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

1. The excess of current assets over current liabilities is called _____
2. The excess of sales over variable cost is called _____
3. A budget which is designed to change in relation to the level of activity attained is called _____
4. Standard cost is a _____ cost. ($\frac{1}{2} \times 4 = 2$)

SECTION – B

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

5. What is the main objective of Management Accounting ?
6. What is Cost Accounting ?
7. What do you mean by trend analysis ?
8. Define Marginal Cost.
9. What is a Flexible budget ?
10. What do you mean by idle time variance ? ($1 \times 4 = 4$)

P.T.O.



SECTION – C

Answer **any 6** questions. **Each** carries **3** marks :

11. What are the limitations of Financial Accounting ?
12. Explain briefly about the various tools of financial analysis.
13. Calculate current ratio from the following information :

Particulars	(₹)
Inventories	50,000
Trade receivables	50,000
Advance tax	4,000
Cash and cash equivalents	30,000
Trade payables	1,00,000
Short-term borrowings (bank overdraft)	4,000
14. How make or buy decisions are taken with the help of marginal costing ?
15. Diya Ltd. Gives the following information, calculate BEP in value and in units.
 Sales – 40,000 units at Rs. 20 per unit
 Profit volume ratio = 50%
 Fixed Cost = Rs. 3,20,000
16. What are the advantages of budgetary control ?
17. What are the limitations of standard costing ?
18. Using the following information, calculate labour variances :
 Gross direct wages = ₹ 3,000
 Standard hours produced = 16,000
 Standard rate per hour = ₹ 1.50
 Actual hours paid = 1,500 hours out of which hours not worked (abnormal idle time) are 50.

(3×6=18)

SECTION – D

Answer **any 2** questions. **Each** carries **8** marks :

19. What is Ratio Analysis ? Give a brief account on various types of ratios.



20. A Factory is currently working at 50% capacity and produces 30,000 units and also sold each at ₹ 225 per unit. Prepare a Flexible Budget and estimate the profit of the company when it works to 75% and 90% capacity. Assume that all units produced are sold at the same selling price per unit as shown above. Following information is provided to you :

i) Variable Expenses :

Materials	₹ 60 per unit
Labours	₹ 40 per unit
Other Expenses	₹ 15 per unit

ii) Semi-variable expenses : (at 50% capacity)

Indirect Labour	₹ 1,50,000
Indirect Materials	₹ 2,10,000
General Administrative Expenses	₹ 2,70,000
Repairs and Maintenance	₹ 1,20,000
Salesmen Salaries	₹ 1,80,000

iii) Fixed Expenses :

Office and Management Salaries	₹ 5,40,000
Office and Factory Rent and Taxes	₹ 6,00,000
Sundry Administrative Expenses	₹ 7,20,000
Depreciation on Machinery and Furniture	₹ 4,50,000

iv) Semi-variable expenses remain constant up to 60% of capacity, increasing by 10% between 60% and 80% capacity and by 20% between 80% and 100% capacity.

v) Rate per unit of variable expenses remains same.

21. From the data given below, calculate all materials variances. Consumption for 100 units of product :

Standard :

Material A 40 units @ ₹ 50 per unit.

Material B 60 units @ ₹ 40 per unit.

Actual :

Material A 50 units @ ₹ 50 per unit.

Material B 60 units @ ₹ 45 per unit.

(8×2=16)