

**B.B.A. DEGREE EXAMINATION, NOVEMBER 2018**  
**II Year IV Semester**  
**Core Major- Paper VIII**  
**ACCOUNTING FOR MANAGERS- II**

**Time : 3 Hours**

**Max.marks :75**

**Section A** ( $10 \times 2 = 20$ ) Marks

Answer any **TEN** questions

1. Define Sales Budget.
2. What is Cost Sheet?
3. What is Semi-Variable Cost?
4. Sales 10000 units Rs.2,00,000, Variable Cost RS.12 per unit, Fixed cost Rs.40,000 Calculate PV Ratio.
5. Give the meaning of Material Variance.
6. Ascertain the profit:  
Cost of Sales Rs.3,00,000, Profit at 20% of sales
7. List out elements of cost.
8. Compute the MOS: Profit 2,25,000 and PVRatio 40%
9. What is Break Even point when PVRatio is 40% and Fixed Cost is 5,00,000?
10. A product is sold for 5,00,000 so as to show profit of 33.33% on cost price. Find out the profit on sales in rupees and in %.
11. Standard Rate of wage per hour Rs.10, Standard Hours 300, Actual rate of wages per hour Rs.12 Actual hours 200. Calculate Labour cost variance.
12. What is Cost Centre?

**Section B** ( $5 \times 5 = 25$ ) Marks

Answer any **FIVE** questions

13. List out the advantages of Budgetary Control.
14. What are the objectives of Cost Accounting?
15. A firm produces two products called A and B. The opening balance of the products are 7, 800 units and 8,400 units respectively. The estimated sales during the month are Rs.14, 700 units and 15, 300 units respectively. The required closing balances are 8,200 and 9, 000 units. Prepare Production Budget.

16. The selling price of a particular product is Rs.100 and the marginal cost is Rs.65. During the month of April, 800 units were produced of which 500 were sold. There was no opening stock at the commencement of the month. Fixed Cost amounted to Rs.18000. Prepare the statement of Absorption costing showing closing stock and profit.
17. Suggest the most profitable product mix, assuming power as the key factor.

Particulars	Product I	Product II
Sales	80000	100000
Variable Cost	60000	70000
Power(Units)	2000	4000

Due to power shortage, power allocated to this factory is 5000 units

18. Anil Ltd manufactured and sold 10,000 pairs of shoes during a period. Information relating to the direct labor cost and production time per unit is as follows:

	Actual Hours Per Unit	Standard Hours Per Unit	Actual Rate Per Hour	Standard Rate Per Hour
Direct Labour	0.50	0.60	12	10

19. Calculate Prime Cost, Factory Cost and Cost of Production, Cost of Sales and profit.

Direct Materials	10,000
Direct labour	4,000
Direct expenses	500
Factory expenses	1500
Administrative expenses	1000
Selling Expenses	300
Profit	20000

### Section C ( $2 \times 15 = 30$ ) Marks

Answer any **TWO** questions

20. During the year 2000, X Ltd produced 50, 000 units of a product. The following were the expenses:

Stock of raw materials on 1/1/2000	10, 000
Stock of raw materials on 31/12/2000	20, 000
Purchases	1, 60, 000
Direct wages	75, 000
Direct Expenses	25, 000
Factory Expenses	37, 500
Office Expenses	62, 500
Selling Expenses	25, 000

You are required to prepare a Cost sheet showing cost per unit and total cost at each stage.

21. Karuna furniture's house places before you the following trading result

YEAR	UNITS	TOTAL COST	SALES
1993	10, 000	80, 000	1, 00,000
1994	12, 000	90, 000	1,20,000

Find out the following:

PV Ratio, BEP both in units and amount, Fixed Asset, Margin of safety in the year 1994

22. A manufacturing concern which has adopted standard costing furnishes following information.

Calculate Material usage variance and Material price variance

Standard:	
Materials for 70 kg of finished product	100 kg
Price of Materials	Rs.1/kg
Actual:	
Output	2,10,000 kg
Materials Used	2,80,000 kg
Cost of materials	2,52,000

23. Distinguish between Cost Accounting and Management Accounting.