Vidya Vikas Mandal's

Shree Damodar College of Commerce and Economics, Margao-Goa

S.Y. B.C.A, Semester- III, End Semester Examination, October 2015

Management Accounting (BCA 303)

Duration: 2 hrs **Max Marks: 50**

Instructions :

1. *All questions are compulsory*
2. *Start each new question on a fresh page*
3. *Figures to the right indicate maximum marks*

Q 1) A) Choose the correct alternative from the following: **(5 mks)**

1. Increase or decrease in the amount of cost on account of increase or decrease of production by a single unit.
   A) standard cost B) Budgeting C) Marginal Cost

2. A modern concept of accounts as a tool of management.
   A) Management accounting B) Cost accounting C) Financial accounting

3. The reports meant for Shareholders, Government, Bankers, and Financial Institutions.
   A) Internal Reports B) Control Reports C) External Reports

4. Continuous comparison of actual's with budgets for achievement of targets and placing the responsibility for failure to achieve the budgeted figures.
   A) Budgets B) Budgetary control C) Budgeting

5. Excess of Selling Price over Variable Cost.
   A) Contribution B) Margin of Safety C) Break Even Point

Q 1) B) Match the following **(5 mks)**

Column 'A'	Column 'B'
1) Standard cost	A) Statutory requirement
2) Variances	B) Decision making
3) Financial accounting	C) Predetermined cost
4) Break even point	D) Favourable and Unfavourable
5) Management Reporting	E) Total Revenue= Total Cost

Q 2) A) From the following information prepare Cash budget for 3 months commencing 1st June when the bank balance is Rs. 1,00,000. **(10 mks)**

Month	Sales	Purchases	Wages	Factory Expenses	Selling Expenses
April	80,000	41,000	5,600	3,900	10,000
May	76,500	40,500	5,400	4,200	14,000
June	78,500	38,500	5,400	5,100	15,000
July	90,000	37,000	4,800	5,100	17,000
Aug	95,000	35,000	4,700	6,000	13,000

a) A sales commission of 5% on sales due two months after sales is made.
b) Plant value at Rs. 65,000 will be purchased and paid for in August.
c) Dividend of last financial year is paid in July Rs. 15,000.
d) There is a two month credit period allowed to customers and credit period received from suppliers is also two months.
e) All expenses are paid after one month.

OR

Q 2) B) The expenses budgeted for production of 10,000 units in a factory are furnished below: **(10 mks)**

Particulars	Per Unit
Material	70
Labour	25
Variable Expenses (Direct)	20
Fixed Factory overhead	10
Variable Factory overhead	5
Selling Expenses (10% fixed)	13
Distribution Expenses (20% fixed)	7
Administrative Expenses (Fixed Rs 50,000)	5
Total Cost of Sales per unit	**155**

You are required to prepare a flexible budget for the production of 6,000 units and 8,000 units.

Q 3) A) From the following information calculate: **(10 mks)**

1) **Contribution**
2) **Profit Volume Ratio**
3) **Break Even Point in Rupees**
4) **Profit**
5) **Margin of Safety**

Particulars	Rs.
Sales	6,000
Variable Cost	3,600
Fixed Cost	2,000

OR

) **From the following information calculate:** **(10 mks)**

1) **Material Cost Variance**
2) **Material Price Variance**
3) **Material Usage Variance**

Raw Materials	**Standard Quantity**	**Standard Price**	**Actual Quantity**	**Actual Price**
X	3,500	10	3700	12
Y	1,500	21	1650	20
Z	1,000	33	1250	36

Q 4) A) Explain the functions and limitations of Management Accounting. **(10 mks)**

OR

B) State and Explain the advantages and limitations of Marginal Costing. **(10 mks)**

Q 5) A) State and Explain the advantages and limitations of Standard Costing. **(10 mks)**

OR

B) State and Explain the different types of management reports. **(10 mks)**