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**School of Finance and Commerce**

**Bachelor of Business Administration in Financial Investment Analysis  
Mid Term Examination - May 2024**

**Duration : 90 Minutes**

**Max Marks : 50**

**Sem II - H1UA201T - Cost and Management Accounting***General Instructions*

*Answer to the specific question asked*

*Draw neat, labelled diagrams wherever necessary*

*Approved data hand books are allowed subject to verification by the Invigilator*

- 1) Define a cash budget and explain its purpose. K2 (2)
- 2) Name some of the techniques of cost control. K1 (3)
- 3) Discuss the meaning of prime cost and how is it calculated? K2 (4)
- 4) Critically analyze four limitations inherent in budgetary control systems K2 (6)
- 5) Explain the advantages of management accounting. K3 (6)
- 6) Distinguish between traditional and zero-based budgets, evaluating their distinctive approaches to resource allocation, budgeting philosophy, and impact on organizational efficiency and cost control. K3 (9)
- 7) Discuss the elements of cost sheet along with proforma. K4 (8)

- 8) The accounts of Z Ltd for the year ended 31st December, 2010, shows the following:

Particulars	(₹)
Work Office Salaries	6,500
Administrative Office Salaries	12,600
Cash Discounts allowed	2,900
Carriage Outward	4,300
Carriage Inward	7,150
Bad debts written off	6,500
Repairs to Plant and Machinery	4,450
Rent, rates,taxes, Insurance etc	
Factory	8,500
Office	2,000
Sales	4,61,000
Stock of Raw materials:	
1st Jan., 2010	48,000
31st Dec., 2010	62,800
Materials Purchased	1.85,00
Travelling Expenses	2,100
Travellers Salaries and Commission	7,700
Productive Wages	1,26,000
Depreciation on Plant and Machinery	6,500
Depreciation on Office Furniture	300
Director's Fees	6,000
Gas and Water (Factory)	1,200
Gas and Water (Office)	400
Manager's Salary (1/4 Office and 3/4 Factory)	10,000
General Expenses	3,400

You are required to prepare a cost statement for the year ended 31st December, 2010.

**OR**

From the following information for the month of January, Prepare a cost sheet to show the following components:

- (a) Prime Cost
- (b) Factory Cost
- (c) Cost of Production
- (d) Total Cost

Particulars	Amount in Rupees
Direct material	57,000
Direct wages	28,500
Factory rent and rates	2,500
Office rent and rates	500
Plant repairs and maintenance	1,000
Plant Depreciation	1,250
Factory heating and maintenance	400
Factory manager's salary	2,000
Office salaries	1,600
Director's remuneration	1,500
Telephone and postage	200
Printing and stationery	100
Legal charges	150
Advertisement	1,500
Salesman's salaries	2,500
Showroom rent	500
Sales	1,16,000