

Roll No



**PRESIDENCY UNIVERSITY
BENGALURU**

**SCHOOL OF MANAGEMENT
MID TERM EXAMINATION - APR 2023**

Semester : Semester IV - 2021

Course Code : BBA2006

Course Name : Sem IV - BBA2006 - Cost and Management Accounting

Program : BBA

Date : 13-APR-2023

Time : 2PM - 3.30PM

Max Marks : 50

Weightage : 25%

Instructions:

- (i) Read all questions carefully and answer accordingly.*
 - (ii) Question paper consists of 3 parts.*
 - (iii) Scientific and non-programmable calculator are permitted.*
 - (iv) Do not write any information on the question paper other than Roll Number.*
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PART A

ANSWER ALL THE QUESTIONS

(5 X 2 = 10M)

1. Define Cost Accounting.
(CO1) [Knowledge]
2. Write the formula of EOQ.
(CO2) [Knowledge]
3. What shall be added to prime cost to arrive at factory cost?
(CO1) [Knowledge]
4. Rate per hour=Rs. 1.50 per hour; Time allowed for job= 20 hours; Time Taken= 15 hours.
Calculate the total earnings of the worker under the Halsey Plan.
(CO2) [Knowledge]
5. The standard time fixed for the completion of job is 24 hours. The rate of wages per hour is Rs. 2.
If a worker completes the job in 20 hours. Calculate his earning under Rowan's Plan.
(CO2) [Knowledge]

PART B

ANSWER ALL THE QUESTIONS

(2 X 10 = 20M)

6. From the following particulars, prepare a cost statement showing the component of total cost and profit for the year ended 31-12-2023.

	On 1st January,2023	On 31st December,2023
Stock of finished goods	12000	30000
Stock of Raw Materials	80000	100000
Work-in-progress	30000	20000
Purchases of Raw Materials	950000	General Expenses 65000
Carriage Inward	25000	Sales for the year 1720000
Wages	350000	Income Tax 5500
Works Manager's Salary	60000	Dividend 1000
Factory Employees Salary	120000	Debenture Interest 5000
Factory Rent, Taxes & Insurance	14000	Goodwill 10000
Power Expenses	19000	Payment of Sales Tax 10000
Other Production Expenses	85000	

(CO1) [Comprehension]

7. (A) Find out the economic ordering quantity (E.O.Q) from the following particulars:

Annual usage: 6000 units

Cost of material per unit: Rs.20

Cost of placing and receiving one order: Rs. 60

Annual carrying cost of one unit: 10% of inventory value. [Application]

(B) In a company weekly minimum and maximum consumption of material A are 25 and 75 units respectively. The re-order quantity as fixed by the company is 300 units. The material is received within 4 to 6 weeks from issue of supply order. Calculate minimum level and maximum level of material A.

(CO2) [Comprehension]

PART C

ANSWER THE FOLLOWING QUESTION

(1 X 20 = 20M)

8. The stock in hand of a material as on 1st September, 2022, was 500 units at Rs. 1 per unit. Following purchases and issues were subsequently made. Prepare the Store Ledger Account showing how the value of the issues would be recorded under

(a) FIFO; (7 Marks)

(b) LIFO and (7 Marks)

(c) Weighted Average Methods. (6 Marks)

2022	Purchases	September,2022	Issues
September, 6	100 units @ at Rs. 1.10	September,9	500 units
September, 20	700 units @ at Rs. 1.20	September,22	500 units
September, 27	400 units @ at Rs. 1.30	September,30	500 units
October,13	1000 units @ at Rs.1.40	October,15	500 units
October,20	500 units @ at Rs. 1.50	October,22	500 units
November,17	400 units @ Rs. 1.60	November,11	500 units

(CO2) [Application]

