

Reg. No. \_\_\_\_\_ Name: \_\_\_\_\_

**APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY**  
**FIFTH TRIMESTER MBA DEGREE EXAMINATION OCT 2018**

**FIN-T5-12 COST ACCOUNTING AND BUDGET CONTROL**

Max. Marks: 60

Duration: 3 Hours

**Part A**

*Write notes on all questions. Each question carries 2 marks*

1. Unit costing.
2. Batch costing
3. p/v Ratio
4. Angle of incidence
5. Any two limitations of standard costing

**(5x2 marks = 10 marks)**

**Part B**

*Answer any 3 questions. Each question carries 10 marks*

6. What are the advantages and disadvantages of budgetary control?
7. From the following ,calculate the following material variances

Product	Standard Qty	Standard price	Actual Qty	Actual price
X	5	4	5	4
Y	4	3	5	3
z	2	6	3	5
	11		13	

- a. Material cost variance.
  - b. Material usage variance.
  - c. Material price variance.
  - d. Material mix variance.
8. A factory can sell 2000 units of its product in home market at Rs 20 each .the marginal cost per unit is Rs 14 and fixed overhead Rs 5,000.  
It can also sell another 2,000 units in the foreign market at Rs 16 each .the additional distribution cost for export is Re 1 per unit fixed overhead will remain the same .Is foreign market worth trying? With help of marginal costing, analyse the situation.
  9. The following information has been obtained from the books of Anannya Ltd for the period from June 1,2017 to June 30 ,2017

Particulars	Amount (Rs)	Particulars	Amount (Rs)
Cost of raw materials in 1-06-2017	30,000.	Factory overheads	92,000.
Raw materials purchased	4,50,000.	Working progress (1-06-2017)	12,000.
Wages paid	2,00,000.	Working progress (30-06-2017).	15,000
	30,000.	Raw materials in	25,000

Wages outstanding	60,000.	stock (30-06-2017).	
Opening finished stock	20,000	Closing finished stock	55,000
Selling and distribution overheads		Sales	9,00,000.
		Administrative overheads	30,000.

You are required to prepare a statement showing the cost of goods sold, profit and sales (cost sheet).

10. What are the different methods of costing?

(3x10 marks = 30 marks)

### Part C

*Compulsory question, the question carries 20 marks*

11. With the following data, prepare a Flexible budget for production of 40,000 units and 60,000 units of product X distinctly showing the variable and fixed as well as the total cost.

Budget output	1,00,000 units per unit cost(Rs)
Direct Materials	90
Direct Labour	45
Direct Expenses	10
Manufacturing variable overhead	40
Fixed Manufacturing overhead	5
Administrative overhead(fixed )	5
Selling overhead(10% fixed )	10
Distribution overhead (20% fixed)	15

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