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Reg. No.

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III Semester B.B.A. Degree Examination, March/April - 2021

## AVIATION MANAGEMENT

## Cost And Management Accounting

(CBCS Fresh Scheme)

Paper : 3.6

Time : 3 Hours

Maximum Marks : 70

*Instructions to Candidates:*

Answers should be written in English only.

## SECTION - A

Answer any **five** from the following. Each question carries 2 marks.

(5×2=10)

1. a) Write the elements of cost?
- b) State the meaning of overheads.
- c) Differentiate between joint products and by products.
- d) Write the formula to calculate profit volume ratio.
- e) Write the meaning of Angle of Incidence?
- f) Mention types of controls.
- g) State the meaning of kaizen.

## SECTION - B

Answer any **three** from the following. Each question carries 6 marks.

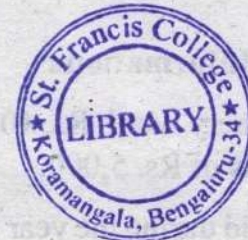
(3×6=18)

2. R Ltd produces 3 products, producing 5000 units of product A, 7,000 units of product B and 9,000 units of product C. Joint cost before split was Rs. 63,000. Calculate unit cost and apportion joint cost among different products.

3. Prepare cost sheet from the following information for 10,000 units of production.

Materials	Rs. 6 per unit.
Labour	Rs. 16 per unit
Fuel and power	Rs. 20,000
Works cost	Rs. 50,000
Administration cost	Rs. 40,000
Selling cost	Rs. 30,000

Company plans to charge 25% profit on sales.



[P.T.O.]





4. Explain the differences between Financial Accounting and Management Accounting.
5. Explain the advantages of Budget.

**SECTION - C**

Answer any **Three** from the following. Each question carries **14** marks. (3×14=42)

6. The Balance Sheet of Victory ltd for 2019 and 2020 were as follows.

<b>Liabilities</b>	<b>2019</b>	<b>2020</b>
Share capital	4,50,000	6,00,000
Profit & Loss account	60,000	1,10,000
Securities premium	Nil	15,000
Public deposits	2,50,000	2,00,000
Creditors	2,20,000	1,91,000
Provision for tax	45,000	60,000
Proposed dividend	40,000	50,000
	<u>10,65,000</u>	<u>12,26,000</u>
<b>Assets</b>	<b>2019</b>	<b>2020</b>
Plant and Machinery	7,00,000	8,25,000
Accumulated depreciation	<u>2,20,000</u>	<u>2,45,000</u>
Net value	4,80,000	5,80,000
Buildings	2,08,000	1,98,000
Investments	30,000	40,000
Inventories	1,20,000	1,62,000
Bank	1,60,000	1,48,000
Debtors	67,000	98,000
	<u>10,65,000</u>	<u>12,26,000</u>

**Additional Information :**

- a. Machinery worth Rs. 40,000 with accumulated depreciation of Rs. 18,000 was sold at a loss of Rs. 5,000.
- b. Tax paid during the year 57,000
- c. Dividend paid during the year 37,500. Prepare cash flow from above information.







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7. Bring out the meaning of Accounting Information? Explain the users of Accounting Information?
8. Explain the essentials of Good Costing system? Briefly explain the advantages of Costing System?
9. A product passes through 3 manufacturing processes that is I, II & III. During December 2020, 5,000 units were manufactured by incurring following expenses.

	Process I	Process II	Process III
Direct Material	20,000	5,000	2,000
Direct Labour	15,000	10,000	20,000
Direct Expenses	5,000	3,000	2,000

Company incurred additional manufacturing overhead expenses and it is policy of company to distribute manufacturing overhead expenses to each process on basis of direct cost overall manufacturing overhead came up to Rs. 9,000. Prepare process accounts showing Cost per unit.

