**Roll No. ………………………..**

**Renaissance College of Commerce & Management**

**Assignment Question Paper**

**BBA VIth Semester Examination**

**Subject: Management Accounting**

***Note*** *:* Attempt any All Question

Q.1 Describe the main objectives of management accounting and its limitations.

Q.2 Differentiate between the following:

(a) Cost Accounting and Management Accounting

(b) Fixed Budget and Flexible Budget.

Q.3 The expenses budgeted for production of 10,000 units in a factory are furnished below:

**Per Unit**

Materials 70

Labour 25

Variable Overheads 20

Fixed Overheads ( Rs 1,00,000) 10

Variable Expenses (Direct) 5

Selling Expenses (10% fixed) 13

Administrative Expenses (Rs 50,000) 5

Distribution Expenses (20% fixed) 7

Total - 155

Prepare a budget for the production of (a) 8,000 units and (b) 6,000 units. Assume that administrative expenses are rigid for all levels of production.

Q.4 M/s Tick Ltd. Starts manufacture on 1st January, 2012. The prime cost of unit is expected to be Rs 20, out of which Rs 8 is for materials and Rs 12 for labour. In addition variable expenses per unit are expected to be Rs 4 and fixed expenses per month will be Rs 15,000. Payment for materials is to be made in the month following the purchase. One-third of the sales will be for cash and rest on credit for settlement in the following month. Expenses are payable in the month in which they are incurred.

The selling price is fixed at Rs 40 per unit. The numbers of units manufactured and sold are expected to be under:

**Units**

January 900

February 1200

March 1800

April 2100

May 2100

June 2400

Draw up a cash forecast ignoring the question of stocks.

Q.5 Arihant chemical Ltd. manufactures product Y by mixing material A and B using in equal ratios as per the standard quantity. The actual quantity has been used 280 quintals in the ratio 60:40 A and B respectively. The standard price of material A and B are Rs 120 and 140 respectively and actual price were Rs 150 and 145 respectively. You are required to calculate Material Cost, Material Usage, Material Price, and Material Mixed Variance.