

TRIBHUVAN UNIVERSITY
FACULTY OF MANAGEMENT

Office of the Dean
September 2017

Full Marks: 60
Time: 3 Hrs.

BBA / BIM / Fourth Semester / ACC 202: Cost and Management Accounting

Candidates are required to give their answers in their own words as far as practicable.

Attempt ALL questions

Group "A"

Brief Answer Questions:

[5 × 2 = 10]

1. Differentiate between fixed and variable overhead.
2. Different in cost per unit is Rs 0.4 between 8,000 units and 18,000 units. Total cost for 18,000 units is Rs 10,000.

Required: Cost for 8,000 units

3. The following information is provided:

Standard labour per unit 10 hours

Standard labour rate Rs 20 per hour

Actual output 500 units

Actual hours paid 5,200 hours, cost of which was Rs 98,800

Required: Labour Efficiency Variance and Labour Rate Variance

4. A worker gets a total wages of Rs 305 for a job. His working hours are 20 hours. The wages rate per hour is Rs 12.

Required: Amount bonus under Halsey Plan

5. The following information are given to you

Profit from Absorption Costing Rs 30,000

Closing Stock 4,000 units

Opening Stock 2,000 units

Normal Capacity 20,000 units

Variable Manufacturing Cost Rs 60,000

Fixed Manufacturing Cost Rs 80,000

Required: Profit from Variable Costing

Group "B"

Short Answer Questions:

[6 × 5 = 30]

6. "Management Accounting provides different information needed for the formulation of policies, planning and controlling the activities of the organizations," discuss.
7. A company produces two products A and B from a common input in a joint processing operation. Joint processing costs up to the split off point are Rs 137,000 per year. The company allocates these costs to the joint products on the basis of their sales value at the split off point. Further information up to split off point are as follows.

Products	Output (units)	SPPU (Rs)	Sales (Rs)
A	13,000	8	104,000
B	17,000	10	170,000