



FIRST INTERNAL EXAMINATION - OCTOBER 2023 BUSINESS ADMINISTRATION – III SEMESTER BBA PAPER – 3.1: Elements of Cost Accounting

Time: 1 Hour 15 Minutes

Max. Marks: 30

Instruction: Answers should be written in *English* only.

SECTION - A

I. Answer **any 5** sub-questions. **Each** question carries **two** marks. **(2x5=10)**

- 1) a) Define Costing
b) What is Prime Cost?
c) What do you mean by cost unit and cost centre?
d) What do you mean by abnormal cost and uncontrollable cost?
e) What do you mean by cost accountancy?
f) What are the objectives of costing?

SECTION - B

II. Answer **any 2** questions. **Each** question carries **four** marks. **(4x2=8)**

- 2) Explain the difference between financial accounting and cost accounting.
- 3) Explain the challenges of cost accounting.
- 4) What are the methods of costing?

SECTION - C

III. Answer **any 1** question. The question carries **twelve** marks. **(1x12=12)**

- 5) Explain in detail the types of cost?
- 6) The accounts of flex management Co. for the year ended 31st March,2013, show the following information

Production wages	2,50,000
Direct material used	3,18,200
Chargeable expenses	30,000
Sales	7,80,000
Drawing office salaries	10,000
Counting office salaries	18,000
Cash Discount allowed	3,000

Carriage outward	5,400
Bad debts written off	8,500
Rent, rates and taxes	
i) Office	4,000
ii) Works	15,400
Travelling expenses	3,600
Travellers salaries and commission	8,500
Depreciation on plant and missionary	6,500
Depreciation of office furniture	1,000
Director's fee	12,000
Gas and water ($\frac{3}{4}$ th -Factory and $\frac{1}{4}$ th – Office)	2,800
Manager's salary ($\frac{3}{4}$ th -Factory and $\frac{1}{4}$ th – Office)	24,000
General expenses	4,000
Hire of crane	5,000
Donations to charitable trust	2,000

Prepare a statement showing

- i) Prime cost
- ii) Factory cost
- iii) Total cost
- iv) Net profit.