

**W1-2-60-1-6**

## JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY

**UNIVERSITY EXAMINATIONS 2018/2019**

**YEAR 4 SEMESTER 2 EXAMINATIONS FOR THE BACHELOR OF PROCUREMENT AND CONTRACT MANAGEMENT**

**HPS 2411: MANAGEMENT ACCOUNTING**

**DATE: APRIL 2019 TIME: 2 HOURS**

**INSTRUCTIONS: ANSWER QUESTION ONE AND ANY OTHER TWO QUESTIONS**

**QUESTION ONE**

a) With reference to C-V-P analysis, clearly distinguish between cost Volume Profit analysis and Break-even Point Analysis (10 marks)

b) State any four differences between Financial Accounting and Management Accounting

(4 marks)

c) Define budget and budgetary control. Explain the advantages of budgetary control in a manufacturing organization (12 marks)

d) State the advantages of standards costing systems. (4 marks)

**[Total: 30 marks]**

**QUESTION TWO**

Auto Robot Ltd which manufactures two products P & Q has provided the following information:

P(shs) Q(shs)

Selling price per unit 10 12

Variable cost per unit 2 8

Fixed cost 50,000 34,000

**Required:**

i) Calculate the B. E. P. of each product in units and in shs. (5 marks)

ii) Calculate the margin of safety if budgeted sales are 10,000 units each (5 marks)

iii) Compute the profit of each product if sales in units are 20% above the B.E.P. (10 marks)

**[Total: 20 marks)**