

B.Com. (ISM) DEGREE EXAMINATION, NOVEMBER 2018
I Year II Semester
Core Major- Paper III
ACCOUNTING FOR MANAGERS - II

Time : 3 Hours

Max.marks :75

Section A ($10 \times 2 = 20$) Marks

Answer any **TEN** questions

1. What is Costing?
2. What is EOQ?
3. Expand FIFO.
4. What is stores ledger?
5. Define management accounting.
6. State the two objectives of cost accounting.
7. Calculate prime cost from the following details:

Direct material	Rs. 10,000
Direct labour	Rs. 4,000
Direct expenses	Rs. 500
8. What is "cost sheet"?
9. What is P/V Ratio?
10. What is Break even chart?
11. What is standard costing?
12. What do you understand by 'contribution'?

Section B ($5 \times 5 = 25$) Marks

Answer any **FIVE** questions

13. From the following particulars calculate: Re-order level, Minimum level, Maximum level.

Normal usage	100 units per day
Minimum usage	60 units per day
Maximum usage	130 units per day
Economic order quantity	500 units
Re-order period	25 to 30 days
14. Explain the functions of cost accounting.

15. Calculate work cost:

Factory expenses	- Rs.700
Office expenses	- Rs.300
Selling expenses	- Rs.900
Material Consumed	- Rs.3,400

16. A factory's data are as follows:

Fixed expenses	Rs.4,00,000
Variable expenses	Rs.10 per unit
Selling price	Rs.20 per unit

Calculate the break-even point.

17. Prepare a flexible budget for production at 80% activity on the basis of the following information:

Production at 50% capacity	- 5,000 units
Raw materials	- Rs.80 per unit
Direct labour	- Rs.50 per unit
Direct expenses	- Rs.15 per unit
Factory expenses	- Rs.50, 000 (50%fixed)
Administrative expenses	- Rs. 60,000(60% variable)

18. What are the objectives of management accounting?

19. Calculate material cost variances from the following data:

	Standard	Actual
Quantity	400 kgs	460 kgs
Price	Rs.2 per kg	Rs.1.5 per kg
Value	Rs.800	Rs.690

Section C ($2 \times 15 = 30$) Marks

Answer any **TWO** questions

20. The Sales and Profit for 1996 and 1997 are as follows:

	Sales	Profit
1996	1,50,000	20,000
1997	1,70,000	25,000

Find out :

- (A) P/V ratio
- (B) BEP
- (C) Sales for a profit of Rs.40,000
- (D) Profit for sales of Rs.2,50,000 and
- (E) Variable costs of the two periods.

21. Prepare stores ledger under LIFO method.

Date	Particulars	Units	Unit cost Rs.
2/1/08	Purchases	210	2.50
10/1/08	Purchases	320	2.50
14/1/08	Issue	260	-
17/1/08	Purchases	220	3.00
22/1/08	Issue	215	-
25/1/08	Purchase	225	3.10
28/1/08	Issue	250	-
30/1/08	Purchase	125	3.20

22. Explain the objectives, Advantages and limitations of budgetary control.

23. From the following information prepare Cost sheet.

	Rs.
Direct material	60,000
Direct wages	40,000
Other manufacturing expenses	12,000

Works cost is 20% of direct expenses

Administration and selling expenses is 25% of works cost.

Profit on Sales– 25%.