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

Time : 3 Hours **Max.marks :75**

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

Answer any **TEN** questions

1. What is Budgetary control?
2. Define Cost Accounting.
3. What is marginal costing?
4. Calculate Break even point when

   P/V Ratio is 40% and Fixed cost is Rs. 5,00,000?
5. Calculate Material usage variance from the following :

Standard	: 400 units at Rs.10 each
Actual	: 360 units at Rs.7 each

6. Fixed cost at 50 % activity level is Rs. 20,000. What will be the fixed cost at 60% and 80% activity levels?
7. | | |
   |---|---|
   | Sales | Rs. 4,00,000 |
   | Variable cost | Rs.3,00,000 |
   | Fixed cost | Rs.40,000 |

   Calculate P/V Ratio?
8. What is ' Key Factor'?
9. Define standard costing.
10. | | Rs. |
    |---|---|
    | Direct materials | 10,000 |
    | Direct wages | 5,000 |
    | Direct expenses | 3,000 |

    Find Prime Cost.
11. Prepare production Budget for the Quarter ending 31st March 2004:

	Tons.
Budgeted sales for the Quarter	40,000
Stock on 31 st Dec. 2003	8,000
Required stock on 31st Mar 2004	10,000

12. What is meant by CVP analysis?

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

Answer any **FIVE** questions

13. What are the different types of Budget?

14. What is the difference between Cost Accounting and Management Accounting?

15. (a) Calculate break even point per unit from the following :

    Sales 1,000 units at Rs. 10 each Rs. 10,000

    Variable cost - Rs. 6 per unit

    Fixed cost - Rs. 8,000

    (b) If the selling price is reduced to Rs. 9, what is the new break even point?

16. From the following prepare income statement under Absorption Costing for A & B.

	A(Rs.)	B(Rs.)
Direct materials	2,500	10,000
Direct Labour	3,000	3,000
Factory Overheads:		
Fixed	1,000	500
variable	1,300	3,000
Selling Overheads:		
Fixed	500	300
Variable	700	2,000
Sales	10,000	20,000

17. The standard estimate for materials to manufacture 1,000 units of a commodity is 400 kgs. , at Rs.2.50 kg. When 2,000 units of the commodity are manufactured, it is found that 820 kgs.of materials are consumed at Rs. 2.60 per kg.

    Calculate the material variances.

18. You are required to prepare a production budget for the half year ending June 2000 from the following information:

Budgeted sales Product	Actual stock quantity units	Desired stock on 31-12-99 units	Desired stock on 30-06- 2000 units
S	20,000	4,000	5,000
T	50,000	6,000	10,000

19. From the following, find out

    (i) P/V Ratio (ii) Volume of sales to earn a profit of Rs. 6,000

	Rs.
Total fixed cost	4,500
Total variable cost	7,500
Total sales	15,000

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

Answer any **TWO** questions

20. What are the advantages and limitations of Budgetary Control?

21. In a factory 20,000 units of product 'A' were manufactured in the month of July 2009. From the following figures obtained from the costing records, prepare a cost sheet showing cost per unit:

	Rs.
Opening stock of raw material	5,000
Purchases	55,000
Closing stock of raw material	10,000
Direct wages	25,000
Factory overhead	40,000
Office and administration overheads	20,000

22. The following data are obtained from the records of a company

	I year	II year
Sales	80,000	90,000
Profit	10,000	14,000

Calculate:

a) P/V Ratio.

b) The profit or loss when sales amount to Rs. 50,000 and

c) The sales required to earn a profit of Rs. 19,000.

23. The following data is gathered from the record of Samuel & Co., for the month of January 1997:

Standards for labour:	
Rate	: Rs.50 per labour hour
Hours set per unit	: 10 hours
Actual data for the month:	
Units produced	: 1,000
Hours worked	: 12,000
Actual labour cost	: Rs.7, 20,000

You are required to calculate labour variances.