B.Com(ISM) DEGREE EXAMINATION,APRIL 2020
I Year II Semester
Accounting for Managers - II

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

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

Answer any **TEN** questions

1. Define cost accounting.
2. What is Cost Sheet?
3. Calculate work cost:

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

4. What is Maximum Stock Level?
5. What is bin card?
6. Calculate Economic ordering quantity from the following particulars:

   Annual requirement = 600 units
   Cost of Material per unit = Rs.20
   Cost of placing and receiving one order Rs.12
   Storage & carrying cost 20%
7. Explain the meaning of Break Even Point?
8. What is variance analysis?
9. Calculate Material Price Variance from the following:

Standard	:	2,740 units at Rs.15 each
Actual	:	3,000 units at Rs.17 each

10. What is a Budget?
11. Write any two advantages of Budgetary Control.
12. Fixed cost at 50% activity level is Rs.20,000. What will be the fixed cost at 60% and 80% activity levels?

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

Answer any **FIVE** questions

13. The following cost data are available from the books for the year ended 31-12-2015:

	Rs.
Direct material	9,00,000
Direct wages	7,50,000
Profit	6,09,000
Selling and distribution overheads	5,25,000
Administrative overheads	4,20,000
Factory overheads	4,50,000

Prepare a cost sheet indicating the prime cost, works cost, production cost, cost of sales and sales value.

14. From the following information, Calculate
    (a) Re – order level
    (b) Minimum stock level
    (c) Maximum stock level
    (d) Average stock level

Minimum consumption	240 units per day
Maximum consumption	420 units per day
Normal consumption	300 units per day
Re-order quantity	3600 units
Re-order period	10-15 days

Normal re-orders period 12 days

15. From the following details find out
    a. Profit Volume Ratio
    b. Break – Even Sales
    c. Margin of Safety

Sales	Rs.1,00,000
Total Cost	Rs.80,000
Fixed cost	Rs.20,000
Net Profit	Rs.20,000

16. The information about Raj & Co., are given below
    (i) Profit volume ratio 20%
    (ii) Fixed cost Rs.36,000
    (iii) Selling price per unit Rs. 150

Calculate

(a) B.E.P (in Rs)
(b) B.E.P (in Units)
(c) Variable cost per unit
(d) Profit on sales of Rs.400000.

17. The standard cost card reveals the following information:

Labour rate - 50 paise per hour
Hours set per unit - 10 hours

Actual data are given below:

Units produced	-	500
Hours worked	-	6,500
Actual labour cost	-	Rs. 2,400

Calculate labour variances

18. Prepare a production Budget for three months ending December, 2006 for a factory producing four products, on the basis of the following information:

Type of Product	Estimated stock on 1st January, 2006	Estimated stock sales during the year	Desired Closing Stock on December 31st, 2006
A	2,000	10,000	3,000
B	3,000	15,000	5,000
C	4,000	13,000	3,000
D	3,000	12,000	2,000

19. What is budgetary control? What are its objectives?

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

Answer any **TWO** questions

20. Distinguish between Financial Accounting and Cost Accounting.

21. During the year 2008, X Ltd., produced 50,000 units of a product.

The following were the expenses:

	Rs.
Stock of raw materials on 1-1-2008	10,000
Stock of raw materials on 31-12-2008	20,000
Purchases	1, 60,000
Direct wages	75,000
Direct expenses	25,000
Factory expenses	37,500
Office expenses	62,500
Selling expenses	25,000

You are required to prepare a Cost sheet showing cost per unit and total cost at each stage.

22. From the particulars given below write up the stores ledger card:

2015.		
January 1	Opening stock	1,000 units at Rs. 26 each.
5	Purchased	500 units at Rs. 24.50 each.
7	Issued	750 units.
10	Purchased	1,500 units at Rs. 24 each.
12	Issued	1,100 units.
15	Purchased	1,000 units at Rs. 25 each.
17	Issued	500 units.
18	Issued	300 units.
25	Purchased	1,500 units at Rs. 26 each.
29	Issued	1,500 units.

Adopt the FIFO method of issue and ascertain the value of the closing stock.

23. Prepare a flexible budget for the overheads on the basis of the following data. Ascertain total overhead rates at 50%, 60% and 70% capacity.

Variable Overheads	At 60% capacity
	Rs.
Indirect material	6,000
Indirect labour	18,000
Semi- variable overheads	
Electricity (40% fixed)	30,000
Repairs (80% fixed)	3,000
Fixed overheads	
Depreciation	16,500
Insurance	4,500
Salaries	15,000
Total Overheads	93,000
Estimated direct labour hours	1,86,000