DECEMBER 2023 **U/ID 46512/UNC4A**

Time : Three hours Maximum : 75 marks

PART A — (10 × 2 = 20 marks)

Answer any TEN questions.

1. What is Cost Accounting?

2. Mention any two objectives of Cost Accounting.

3. What do you mean by Cost Unit?

4. State any two objectives of Material Control.

5. What do you mean by ABC Analysis?

6. Name the methods of measurement of Labour Turnover.

7. Define Overheads.

8. What is Machine Hour Rate?

9. Explain the meaning of fund flow statement.

10. What do you understand by Ratio Analysis?

11. What is Break Even Point?

12. List out the types of budgets.

PART B — ($5 \times 5 = 25$ marks)

Answer any FIVE questions.

13. Distinguish between Cost Accounting and Financial Accounting.

14. What are the advantages of Cost accounting?

15. From the following particulars, calculate the Economic Order Quantity:

Annual requirement: 3,600 units

Cost of material per unit: Rs. 40

Cost of placing and receiving one order: Rs. 50

Annual carrying cost: 10% of inventory value.

16. Calculate maximum level, minimum level and re-ordering level from the following data:

Re-order quantity 1,500 units

Re-order period 4 to 6 weeks

Maximum consumption 400 units per week

Normal consumption 300 units per week

Minimum consumption 250 units per week

17. From the following information relating to Bright Ltd., calculate funds lost in operations.

	Rs.
Net loss for the year	90,000
Dividend received	7,000
Depreciation charged	10,000
Profit on sale of asset	5,000
Refund of tax	2,000

18. Current ratio 2.5; working capital Rs. 63,000. Calculate current assets and current liabilities.

19. Calculate Break-Even point from the following particulars

	Rs.
Fixed Expenses	1,50,000
Variable cost per unit	10
Selling price per unit	15

PART C — (3 × 10 = 30 marks)

Answer any THREE questions.

20. Distinguish between Management accounting and cost accounting.

21. Prepare stores ledger account, pricing the issues at

(a) Simple average rate and

(b) Weighted average rate

Year	Receipts		Issues
	Qty.	Rate	
15.03.19	200	Rs.2.00	-
18.03.19	300	Rs.2.40	-
25.03.19	-	-	250
28.03.19	250	Rs.2.60	-
30.03.19	-	-	200

22. You are supplied with the following information. Calculate overhead hourly rate in respect of production departments X, Y and Z.

The primary overheads are:

Production Department – Service Department

X – Rs. 7,810 P – Rs. 4,600

Y – Rs. 12,543 Q – Rs. 2,600

Z – Rs. 4,547

Expenses of service department P and Q are apportioned as under:

	X	Y	Z	P	Q
Expenses at P	30%	40%	20%	–1	0%
Expenses at Q	10%	20%	50%	20%	–

Estimated working hours are: X – 1,000, Y – 2,500, Z – 1,400.

23. Describe the utility and limitations of Accounting ratios.

24. The records of a company show the following.

	Period Sales (Rs.)	Profit (Rs.)
I	1,20,000	9,000
II	1,40,000	13,000

Find out:

(a) P/V ratio

(b) Break-even point

(c) Profit when sales are Rs. 1,00,000

(d) Sales required to earn profit Rs. 20,000

(e) Margin of safety in period II.
