(6 pages)

MAY 2022 **U/ID 46512/UNC4A**

Time : Three hours Maximum : 75 marks

SECTION A — (10 × 2 = 20 marks)

Answer any TEN questions.

1. What is Cost accounting?

2. Define Management Accounting.

3. Expand the terms ABC and LIFO.

4. What do you mean by Inventory control?

5. Give any two examples of selling and distribution overhead.

6. What is machine hour rate?

7. Define ratio.

8. What are the current assets?

9. What is flexible budget?

10. Write the meaning of break even point.

11. What is PVR?

12. What is fund flow statement?

SECTION B — ($5 \times 5 = 25$ marks)

Answer any FIVE questions.

13. Explain the scope of cost accounting.

14. Prepare a cost sheet

Direct materials Rs. 2,00,000

Factory expenses Rs. 1,20,000

Prime cost Rs. 4,10,000

Office expenses Rs. 90,000

10% of output is in stock

Total sales Rs. 6,50,000

15. From the following figures, calculate Economic Order Quantity

Annual consumption of material 4.000 kg.

Cost of placing one order Rs. 5

Cost per unit Rs. 2

Storage and carrying cost 8% of average inventory.

16. Calculate machine hour rate from the following:

Cost of machine Rs. 12,000

Average repairs and maintenance charges per month Rs. 150

Estimated scrap value Rs. 1,200

Standing charges allocated to machine per month Rs. 50

Effective working life of machine 10,000 hours

Running time per month 166 hours

Power used by machine 5 units per hour at 19 paise per unit.

17. Explain different kinds of overhead absorption rates.

18. Discuss the managerial uses of ratio analysis.

19. Sales Rs. 1,00,000; Profit Rs. 10,000: Variable cost 70%

Find out

P/V Ratio

Fixed cost

Sales to earn a profit of Rs. 40,000

SECTION C — ($3 \times 10 = 30$ marks)

Answer any THREE questions.

20. Describe the different elements of cost in detail, with suitable examples.

21. Calculate

(a) EOQ

(b) Maximum level

(c) Minimum level and

(d) Reordering level from the following data:

Reorder period – 4 to 6 weeks

Maximum consumption – 100 units per week

Minimum consumption – 50 units per week

Normal consumption – 75 units per week

Annual consumption 36,000 units

Cost per unit Re. 1

Ordering cost Rs. 25

Inventory carrying cost is 20% of unit value.

22. A manufacturing concern has three production departments and two service departments. The departmental expenses were as follows:

Production departments	Rs.
A	16,000
B	13,000
C	14,000
Service Departments	
X	4,000
Y	6,000

The service department expenses are charged out on a percentage basis viz.,

	A	B	C	X	Y
Department X	20%	25%	35%	--	20%
Department Y	25%	25%	40%	10%	--

Prepare a statement of secondary distribution under repeated distribution method

23. Using the information and the form given below compute the Balance Sheet items for a firm having a sale of Rs. 36.00,000

Sales / Total assets	= 3
Sales / Fixed assets	= 5
Sales / Current assets	= 7.5
Sales / Inventories	= 20
Sales / Debtors	= 15
Current ratio	= 2
Total assets / Net worth	= 2.5
Debt / Equity	= 1

Balance sheet

Liabilities		Assets	
Net worth	?	Fixed assets	?
Long term debt	?	Inventories	?
Current liabilities	?	Debtors	?
		Liquid assets (others)	?

24. Abirami Furniture House places before you the following trading results

Period	Sales	Profit
	Rs.	Rs.
2012	20,000	1,000
2013	10,000	400

Calculate

(a) P/V Ratio

(b) Fixed cost

(c) BEP

(d) Profit when sales are Rs. 30,000

(e) Sales required to earn a profit of Rs. 2,200

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