(6 pages)

MAY 2024 **U/ID 46512/UNC4A**

Time : Three hours Maximum : 75 marks

PART A — (10 × 2 = 20 marks)

Answer any TEN questions.

1. Define Cost Accounting.

2. Mention any two limitations of Cost Accounting.

3. What do you mean by Profit Centre?

4. What is Material Control?

5. What is re-order level?

6. What is Incentive?

7. Define Overheads.

8. What is Labour Turnover?

9. Give the meaning of Absorption of Overheads.

10. Explain the meaning of cash flow statement.

11. List out any two limitations of accounting ratios.

12. What is cash budget?

PART B — (5 × 5 = 25 marks)

Answer any FIVE questions.

13. Distinguish between Financial Accounting and Management Accounting.

14. Explain the advantages of Cost Accounting.

15. From the following calculate Economic Order Quantity:

Monthly Consumption 125 units

Purchase price of input unit Rs. 25

Monthly carrying cost 1%

Ordering cost per order Rs. 22.5

16. From the under mentioned details find out:

(a) Maximum stock level, (b) Minimum stock level and (c) Re-order level

Normal Consumption per day	300 units
Maximum consumption per day	420 units

Minimum Consumption per day	240 units
Re-order Quantity per day	3,600 units
Re-order period	10 to 15 days
Normal re-orders period	12 days

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

    Net loss for the year Rs. 90,000

    Dividend received Rs. 7,000

    Depreciation charged Rs. 10,000

    Profit on sale of asset Rs. 5,000

    Refund of tax Rs. 2,000

18. Total Sales Rs. 2,25,000

    Variable Cost Rs. 1,12,500

    Fixed Cost Rs. 67,500

    Find out (a) P.V. Ratio, (b) B.E.P. (c) Profit, (d) Sales to earn a Profit of Rs. 90,000.

19. Prepare a production budget from the following information

	Product opening stock Units	Est. sales Units	Closing stock Units
P	2,000	10,000	3,000
Q	3,000	15,000	5,000
R	4,000	13,000	3,000
S	3,000	12,000	2,000

PART C — (3 × 10 = 30 marks)

Answer any THREE questions.

20. Distinguish between Cost Accounting and Management Accounting.

21. Calculate the earnings of workers A and B under straight piece rate system and Taylor's differential piece rate system from the following particulars:

Normal rate per hour : Rs. 18

Standard time per unit : 30 seconds

Differentials to be applied:

80% of piece rate below standard

120% of piece rate at or above standard.

Worker A produces 1,400 units per day and worker B produces 1,500 units per day of 8 Hours.

22. Describe the different methods of classification of overheads.

23. From the following particulars, you are required to prepare statement of labour cost showing the cost per day of 8 hours.

(a) Monthly Salary Rs. 200

(b) Leave salary 5% of Salary

(c) Employer's contribution to Provident Fund 8% of (a) and (b).

(d) Employer's Contribution to State Insurance 2.5% of (a) and (b).

(e) Pro-rata expenditure on amenities to labour Rs. 17.95 per head, per month.

(f) Number of working hours in a month 200.

24. From the following data calculate:

(a) P/V ratio

(b) Profit when sales are Rs. 20,000

(c) New break-even point if selling price is reduced by 20%.

Fixed expenses Rs. 4,000

Break even sales Rs. 10,000
