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PRESIDENCY UNIVERSITY BENGALURU

SCHOOL OF COMMERCE

TEST 1

Winter Semester: 2021 - 22

Date: 26th April 2022

Course Code: MGT 141

Time: 03.00 PM to 04.00 PM

Course Name: COST AND MANAGEMENT ACCOUNTING

Max Marks: 30

Program & Sem: BBA AND BBA AVAITION. & IV Semester

Weightage: 15%

Instructions:

- (i) Read the all questions carefully and answer accordingly.
- (ii) Only normal calculators are allowed.

		Part A [I	Vlemor	y Recall Que	estions]	
Answe	er all the Que	estions. Each ques	tion ca	rries ONE m	nark.	(1Qx 1M= 10M)
1. Whi	ch area of ac	counting deals with	reduction	on and contro	ol of manufactu	ring expenses ?
A.	Management	t Accounting	B.	Cost Accou	nting	
C.	Financial Acc	counting	D.	Financial M	anagement	(CO - 01) [Knowledge]
2.Purc	hases + Ope	ning Stock of Raw M	1aterial:	s – Closing s	tock :	. (CO - 01) [Knowledge]
A.Dire	ct Cost	B.Prime Cost	C.Mat	terials Consu	med	D.Indirect Materials
3.Worl	ks Cost is als	o called as		_ •		(CO - 01) [Knowledge]
A.Fact	tory Cost	B.Manufacturing Co	ost	C.Productio	n Costs	D.All of the Above
4.Pick	the odd one	out .				(CO - 01) [Knowledge]
A.Stati	ionaries	B.Managers Salary		C.Office Mis	sc Expenses	D.Wages
5.Whe	n COGS is 80	0,000 and profit on s	ales is	25%, what w	vill be the Profit	value?
A.26,6	67	B.20,000	C.25,0	000	D.16,000	(CO - 01) [Knowledge]
6.The	items which a	are excluded from the	e cost s	sheet are	·	(CO - 01) [Knowledge]
	erials and Wa	ages			come tax and fages and Sala	
		on of prices which th	_	-		or the work order is to (CO - 01) [Knowledge]
A.Ten	der	B.Quotation		C.Estimatio	n	D.Cost Sheet
8. Whi	ch area of ac	counting deals with	decisio	n making act	ivities?	
	Management A	•		B. Cost Acc	ounting	

9.Productive wages are treated under _____ . (CO - 01) [Knowledge]

A.Works Cost B.Office Expenses C.Prime Cost D.COGS

10.Cost Accounting is used in _____ . (CO - 01) [Knowledge]

A.Educational Institutions B.Manufacturing Industries C.Both A & B D.None of the above .

Part B [Thought Provoking Questions]

Answer both the Questions. Each question carries FIVE marks.

(2Qx5M=10M)

11. A Factory manufacturing product 'x' furnished the following information:

Material cost 90,000

Cost of labor 150% of material cost

Factory on cost is charged at 30% of prime cost

Office on cost is calculated at 20% on total cost

Profit is to be calculated at 10% of sales

Ascertain profit by preparing cost sheet.

(CO - 01) [Knowledge]

12. Financial Accounting and Cost Accounting are branches of Accounting Discuss the difference between these two. (CO - 01) [Knowledge]

Part C [Problem Solving Questions]

Answer this Question. It carries TEN marks.

(1Qx10M=10M)

13. A manufacturing company requires a statement of cost showing results of its production operation for Jan-2021. The cost records give the following information.

Particulars	01.01.2021	31.1.2021
Raw materials	1,00,000	1,32,500
Finished goods	71,500	42,000
Work in Progress	31,000	34,500

The transactions during the month of Jan-2021 as follows:

Purchase of raw materials: 88,000

Productive wages: 17,000

Work expenses: 39,500

Sales: 2,84,000

Administration expenses: 13,000

Sale of factory scrap: 2000

Selling & Distribution expenses: 15,000 (CO - 01) [Knowledge]

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PRESIDENCY UNIVERSITY BENGALURU SCHOOL OF COMMERCE

Winter Semester: 2021 - 22 TEST- 2 Date: 1st June 2022

Course Code: MGT141 Time: 03.00 AM to 04.00 PM

Course Name: COST AND MANAGEMENT ACCOUNTINGMax Marks: 30Program & Sem: BBA AND BBA(AVIATION) & IV SEMWeightage: 15%

Instructions:

(i) Read the all questions carefully and

answer accordingly.

(ii) Only normal calculators are allowed.

Part A [Memory Recall Questions]

Answer all the Questions. Each question carries ONE mark.	(1Qx 1M= 10M)
Maximum level of stock is 1000 units per week and reorder period is 3 level will be	3 to 5 weeks then reorder (CO- 2,Comprehension)
2. JIT Stands for	(CO-02, Comprehension)
3. What is FSN Analysis?	(CO-02, Comprehension)
4.EOQ is 1200 Units maximum Consumption is 6000 units per annum the	nen what is EBQ? (CO-02, Comprehension)
5.Mention any 2 duties of stores Keeper?	(CO-02, Comprehension)
6.What is Indirect Labour?	(CO-02, Comprehension)
7. What is Bonus as per Halsey plan.	(CO-02, Comprehension)
8.What is maximum Level of stock?	(CO-02, Comprehension)

Part B [Thought Provoking Questions]

Answer both the Questions. Each question carries FIVE marks.

What will be the value of Carrying cost?

10.What is Bin Card.

9.Cost per unit is Rs.40/-, Storage cost is 8%, cost of placing one order is Rs.150/-

(2Qx5M=10M)

11. Time Rate Rs. 120 per hour, standard time allowed to workers- 40 hours, actual time taken by the workers-36 hours. Calculate the total wages according to Halsey and Rowan Plan.

(CO-02, Comprehension)

(CO-02, Comprehension)

(CO-02, Comprehension)

12. The following details are available with reference for material Aduring the month of January 2022.

Jan 1	Opening Stock 200 Units at Rs 6/- per unit
Jan 2	Received 300 units at Rs4/- per unit
Jan 4	issued 250units
Jan 6	received 100 units at Rs4 per unit
Jan 7	issued 50 units
Jan 8	received 300 units at Rs2 per unit
Jan 10	Issued 200 units

Ascertain the stock value on 10 January by preparing Stores Ledger account under Simple Average Method. (CO-02,Comprehension)

Part C [Problem Solving Questions]

Answer the Question. This question carries TEN marks.

(1Qx10M=10M)

Following

13.

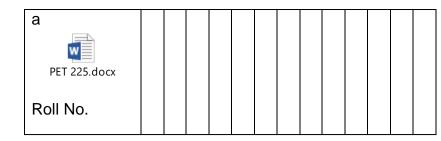
Jan 1	Opening balance	500 units @ Rs. 8
Jan 5	Purchased	200 units @ Rs. 4
Jan12	Purchased	150 units @ Rs.4.10
Jan20	Purchased	300 units @ Rs.4.50
Jan25	Purchased	400 units @ Rs. 5
Jan 4	Issued	200 units
Jan10	Issued	400 units
Jan15	Issued	100 units
Jan19	Issued	100 units
Jan26	Issued	200units
Jan30	Issued	250 units

transactions occur in the purchase and issue of a material:

Issues are to be priced on the principle of "First in First out" and "Last in First out". Preparestores ledger account in respect of the materials for the month of January.

(CO- 02.Comprehension)





PRESIDENCY UNIVERSITY BENGALURU SCHOOL OF COMMERCE

END TERM EXAMINATION

Winter Semester: 2021 - 22 Date: 30th June 2022

Course Code: MGT141 Time: 1.00 PM to 4.00 PM

Course Name: COST AND MANAGEMENT ACCOUNTING Max Marks: 100

Program & Sem: BBA AND BBA AVIATION & IV Sem Weightage: 50%

Instructions:

(iii) Read the question properly and answer accordingly.

(iv) Complete the exam within the given time.

Part A (Memory Recall Questions)

Answer all the questions. Each question carries THREE marks. (10Qx3M=30M)

1. Calculate Shareholders fund from the following: (CO – 04, Comprehension)

Equity Share capital: Rs.20,000 Preference share capital: Rs.25,000

6% Debentures : Rs.15,000

Reserves and Surplus: Rs.35,000

- 2. Give the meaning of Idle Time, Bonus & Incentives. (CO 02, Comprehension)
- 3. The Average Annual Consumption of Material is 18,250 Units at a price of Rs. 36.50 per unit. The storage cost is 20% on an Average inventory, the cost of pricing the order is Rs.50. How much quantity to be purchased at a time?

(CO - 02, Comprehension)

4. The Cost price is 2,25,000 then profit on sales is 33.33% then Profit is_____

(CO – 01, Knowledge)

Match the following

(CO – 01, Knowledge)

Salary to Salesman	Factory OH
Wages for Indirect Labour	Prime Cost
Direct Expenses	S & D Overheads

6. Opening Raw Mathe period was (CO – 04, Compreh		ng raw Materials v Consumed d		•	nased during
7. Power consump of	tion, maintenance o	_	•	ervision cost are prehension)	the example
a. Fixed cost	B. Variable Cost	C. Semi Variable	e Cost	D. Historical Cost	Į.
	kly consumption of 1 nnum of this compar	-		n an average, Wha mprehension)	at will be the
A. 5000 Kgs	B. 5100 Kgs	C. 5200 Kgs D.	5300 Kgs		
	d for a certain job is salculate the total wag nension)				
a. Rs. 900	b. Rs. 800	c. Rs. 700	d. Rs.	850	
DirectDirectDirectFacto	e Cost, Cost of Sales t Materials Rs. 10,00 t Labor Rs. 4,000 t Expenses Rs. 500 ry Expenses Rs. 1,5 nistrative Expenses I	00		g details: CO – 01, Knowledg	je)
	Part B (Th	ought Provoking	g Question	s)	
Answer all the que	estions. Each ques	tion carries EIGI	IT marks.	(5Qx8M=40N	VI)
11. The following tr	ansactions took plac	ce in respect of a	material iter	m.	
2 nd March 2022 Re	ceived 200 Units of I	Rs. 2 each			
March 10 Received	d 300 units of Rs. 2.4	per unit			
March 15 issued 25	50 units				
March 18 Purchase	ed 250 Units of Rs. 2	.6 per unit			

March 20 Issued 200 units.

Prepare a stores ledger account under weighted average method.

(CO - 02, Comprehension)

12. Two components, A and B, are used as follows:

Normal usage 50 units per week each

Minimum usage 25 units per week each

Maximum usage 75 units per week each

Re-order quantity A: 300 units; B: 500 units

Re-order period A: 4 to 6 :WeeksB: 2 to 4 weeks

 $Calculate \ for \ each \ component: (a) \ Re-order \ level, (b) \ Minimum \ level, (c) \ Maximum \ level, and (d) \ Average$

stock level. (CO – 02, Comprehension)

13. From the following Balance Sheet of Swadeshi Ltd., for the year ended 31st December 2021 and 2022, you are required to prepare a Comparative Balance Sheet.

(CO – 04, Comprehension)

BALANCE SHEET as on 31 st December [Rs. In Lakhs]								
Liabilities 2007 2008 Asset 200 2008								
Liabilitio	Rs.	Rs.	S	7	Rs.			
				Rs.				
Sundry Creditors	200	275	Cash	100	140			
Tax Payable	100	150	Debtors	200	300			
6 % Debentures	100	150	Stock	200	300			
Equity Capital	700	700	Land & Buildings	400	370			
Reserves	200	245	Plant	300	270			
			Furniture	100	140			
	1,300	1,520		1,300	1,520			

14.All the expenditure in the business cannot be recorded under cost sheet. As a Cost Accountant which are the various items do you exclude from the Cost Sheet. List Down any 4 items under this category with suitable reasons. (CO - 01, Knowledge)

15.A Workman's wages for a guaranteed 44 hour week is Rs.0.75 per hour. The estimated time to produce one article is 30 minutes and under an incentive plan, the time allowed is increased by 20%. During a week, a worker produced 100 articles.

Calculate the wages under each of the following:

a)Time rate b)Rowan System c)Halsey System

(CO – 02, Comprehension)

Part C (Problem Solving Questions)

Answer both the questions. The question carries TEN marks. (2Qx15M=30M)

- 16. From the following particulars, you are required to prepare a statement showing
- a. The Cost of materials used
- b. The Works Cost
- c. Total Cost

The percentage of works on cost to productive wages and The percentage of General on cost to Works Cost.

Particulars	Amount
Stock of Finished Goods on 31st December 2021	8000
Stock of Raw Materials on 31st December	95000
2021	
Purchase of Raw Materials	65000
Wages (Productive)	475000
Sale of Finished Goods	1040000
Stock of Finished Goods 31. 12. 2022	674000
Stock of Raw Materials on 31. 12.2022	75000
Works overhead Charges	95000
Office and General Expenses	186000

The company is about to send a tender for a large plant. The costing department estimates that the materials required would cost Rs.84500/- and Wages to workmen for making the plant would cost Rs.68400/-. The tender is to be made at a net profit of 20% on the selling price.

Show what the amount of tender would be, if based on the above percentage?

(CO – 01, Knowledge)

17. The following data were obtained from the books of GSK Ltd for the half year ended 30th September 2021. Prepare an Overhead distribution summary.

	Production	on Departr	nents	Service Departments		
	A B C		X	Υ		
Direct Wages in Rs.	7,000	6,000	5,000	1,000	1,000	
Direct Materials in Rs.	3,000	2,500	2,000	1,500	1,000	
Employees in Nos.	200	150	150	50	50	

Electricity in Kwh.	8,000	6,000	6,000	2,000	3,000
Light Points in Nos.	10	15	15	5	5
Asset Values in Rs.	50,000	30,000	20,000	10,000	10,000
Area Occupied in Square	800	600	600	200	200
yards					

The Expenses for 6 months were:

Stores overhead: Rs.400 Depreciation: Rs.6,000

Motive Power: Rs.1,500 Repairs & Maintenance:Rs.1,200 Electric Lighting: Rs.200 General Overheads:Rs.10,000

Labor Welfare:Rs.3,000 Rent and Taxes:Rs.600

Apportion the expenses of Department X in the ratio of 4:3:3 and that of Department Y in the

proportion of Direct wages, to Department A, B and C respectively.

(CO - 03, Comprehension)