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**PRESIDENCY UNIVERSITY
BENGALURU**

SCHOOL OF COMMERCE

MAKE UP EXAMINATION – JAN 2023

Course Code: MGT141

Course Name: Cost and Management Accounting

Program & Sem: B.COM & IV

Date: 24/JAN/2023

Time: 9.30AM – 12.30PM

Max Marks: 100

Weightage: 50%

Instructions:

- (i) Read the all questions carefully and answer accordingly.
(ii) All Questions are Mandatory.

Part A [Memory Recall Questions]

Answer all the Questions. Each question carries TWO mark.

(10Qx 2M=20M)

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|--|---------------------|
| 1. What do you mean by cost sheet? | (CO 1) [Knowledge] |
| 2. What do you mean by Factory overheads? | (CO 2) [Knowledge] |
| 3. Raw Materials Consumed is calculated using which formula? | (CO 1) [Knowledge] |
| 4. What do you mean by cost accounting? | (CO 1) [Knowledge] |
| 5. Mention any 2 examples of Selling and distribution overheads? | (CO 2) [Knowledge] |
| 6. What do you mean by Budget? | (CO 3) [Knowledge] |
| 7. If profit on sales is 30% what is the profit on cost? | (CO 4) [Knowledge] |
| 8. What do you mean by indirect labor cost? | (CO 3) [Knowledge] |
| 9. What do you mean by analysis of financial statements? | (CO 3) [Knowledge] |
| 10. What do you mean by cash flow analysis? | (CO 5) [Knowledge] |

Part B [Thought Provoking Questions]

Answer all the Questions. Each question carries TEN marks.

(4Qx10M=40M)

11. The determination of cost can be done by categorizing the elements of cost also these elements are further classified. illustrate these categories and their further classification. (CO 1) [Comprehension]
12. Calculate the economic order quantity from the following information. Also state the number of orders to be placed in a year. (CO 2) [Comprehension]

Particulars	Product A	Product B	Product C
Consumption of materials per annum	5000	3000	2000
order placing cost per order	50	30	20
cost per kg of raw materials	5	4	2
Storage cost	8% on Average inventory	8% on Average inventory	8% on Average inventory

13. Explain in detail cash flow from operating activity, cash flow from investing activity and cash flow from Financing activity. (CO 3) [Comprehension]

14. From the following particulates prepare stores ledger account under LIFO method. (CO 4) [Comprehension]

FEB 5th Purchases 4000 units @ Rs.200
FEB6th Issued 2500 units
FEB 7th Purchases 2000 units @ Rs.220
FEB10th Issued 1000 units
FEB16th Purchases 3000 units @ Rs.210
FEB18th Issued 2200 units
FEB24th Purchases 1500 units @ Rs.240
FEB25th Issued 2000 units
FEB28th Issued 500 units.
FEB29th Purchased 4000 units @ Rs.240
FEB30th Issued 500 units.

Part C [Problem Solving Questions]

Answer all the Questions. Each question carries 20 marks. (2Qx20M=40M)

15. Prepare the Cost Sheet with the help of the information below. (CO 1) [Application]

Opening Stock:

Raw materials 50000

Finished goods 35000

Closing Stock:

Raw materials 30000

Finished goods 15000

- a. Raw materials purchased 100000
- b. Wages paid to laborers 5,00,000
- c. Direct expenses 80,000
- d. Rent, rates and taxes 1,00,000
- e. Power 60,000
- f. Factory heating and lighting 60,000
- g. Factory insurance 50,000
- h. Experimental expenses 20,000
- i. Office management salaries 1,00,000
- j. Office printing and stationery 5,000
- k. Salaries of salesman 80,000
- l. Commission of travel agents 20,000
- m. Sales 800,000

16. A factory has three production departments, A, B and C and two service departments X&Y. The following overheads and other information are extracted from the books for the month of January 2020.

(CO 3) [Application]

Expenses	Amount
Rent	80000
Repair	36000
Depreciation	22000
Lighting	3000
Supervision	25000
Fire insurance for stock	5000
ESA contribution	15000
Power	60000

particulars	A	B	C	X	Y
Area square ft	500	300	200	150	100
Number of workers	300	200	150	50	40
wages	18000	15000	12000	9000	6000
value of plant	50000	40000	30000	20000	
stock value	50000	30000	20000		
horsepower of plant	600	400	300	150	50

Allocate or apportion the overheads among the various departments on suitable basis. Also show the secondary distribution under the direct distribution method by assuming services rendered from Department X and Y over the production department based on 4;3;1 and 5;3;2.