Name:

Enrolment No:

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
End Semester Examination, December 2023

Course : Accounting for Management | **Semester :** 1st
Program : Integrated B Com H Mba | **Time :** 03 hrs.
Course Code : FINC1026 | **Max. Marks:** 100

Instructions: All questions are compulsory

SECTION A
10Q x 2M =20Marks

S. No.		**Marks**	**CO**
Q1	-------- costs varies directly in relation to output. (a) Fixed cost. (b) Variable cost (c) Both a and b (d) None of these	2	1
Q2	The percentage of variable cost to sales is 50% fixed cost are Rs. 60,000 , the break-even point would be: (a) Rs.1,20,000 (b) Rs.24,000 (c) Rs.76,000 (d) Rs.36,000	2	1
Q3	If indirect expenses at 70% capacity producing 700 units are Rs. 235 , of which variable component is Rs. 0.05 per unit , the amount of indirect expensess at 90% capacity would be : (a) Rs. 336 (approximately) (b) Rs. 250 (c) Rs. 235 (d) None of these	2	1
Q4	………………… is defined as the difference between current assets and current liabilities of a firm. (a) Net working capital (b) Gross block (c) Gross working capital (d) None of these	2	1
Q5	If operating profit ratio is 35% then operating ratio would be ----	2	1

	(a) 65% (b) 35% (c) 130% (d) None of these.		
Q6	Office expenses at 50% capacity are Rs. 1,00,000 out of which 25% are fixed , then office expense at 60% capacity level would be: (a) Rs. 1,20,000 (b) Rs. 1,15,000 (c) Rs. 1,05,000 (d) None of these	2	1
Q7	……………. is calculated while preparing profit and loss account. (a) Gross Profit (b) Net Profit (c) Either of a or b (d) None of these	2	1
Q8	………….. is a operating expense. (a) Salaries (b) Loss by theft (c) Loss by fire (d) None of these	2	1
Q9	The two basic measures of profitability are: (a) Inventory turnover and current ratio (b) Current ratio and liquid ratio (c) Gross profit margin and operating ratio (d) Current ratio and average collection period	2	1
Q10	…………. is not a method of inventory valuation. (a) LIFO (b) FIFO (c) HIFO (d) None of the above	2	1
	SECTION B **4Q x 5M = 20 Marks**		
Q11	Prepare a format of cash budget indicating the items of receipts and expenses.	5	2
Q12	Explain the types of activities which are shown in cash flow statement.	5	2
Q13	It is a technique in which standard cost is compared with actual cost to take corrective action, if required. Explain the concept involved in this statement.	5	2
Q14	Closing Trade Receivables/ Debtors = Rs.10,000	5	2

<table>
<tr><td></td><td>Cash Sales are 20% of Credit Sales.
Excess of Closing Trade Receivables over Opening Trade Receivables are Rs.4,000.
Sales/ Revenue from Operations = Rs.60,000
Calculate Receivables Turnover Ratio.</td><td></td><td></td></tr>
<tr><td colspan="4">SECTION-C
3Q x 10M = 30 Marks</td></tr>
<tr><td>Q15</td><td>The credit sales of the company is 3 times its cash sales and the total sales is Rs.64,000. It opening debtors are Rs.30,000 and closing debtors are Rs.4,000 more than opening debtors. Calculate debtors turnover ratio.</td><td>10</td><td>3</td></tr>
<tr><td>Q16</td><td>Prepare a flexible budget at 70% and 90% capacity from the following information.
<table>
<tr><td>Particulars</td><td>Amount (in Rs.)</td></tr>
<tr><td><u>At 50% capacity</u>
Units
Material
Labour
Overheads
Administrative overheads (Fixed)
Salesmen commission
(50% variable 50% fixed)
Financial expenses
(80% fixed 20% variable)</td><td>
250
10 per unit
15 per unit
5 per unit
10,000
4,500

5,000</td></tr>
</table></td><td>10</td><td>3</td></tr>
<tr><td>Q17</td><td>Prepare a stores ledger account according to LIFO method.
Jan 2 Purchased 600 tons @ Rs.20 per ton
Jan 4 Issued 250 tons
Jan 7 Purchased 200 tons @ Rs.40 per ton
Jan 11 Issued 500 tons
Jan 14 Purchased 50 tons @ Rs.11 per ton
Jan 22 Purchased 20 tons @ Rs.6 per ton
Jan 25 Issued 40 tons</td><td>10</td><td>3</td></tr>
<tr><td colspan="4">SECTION-D
2Q x 15M = 30 Marks</td></tr>
<tr><td>Q18</td><td>A producer makes 1Kg finished product for Rs.80 as 2 kg raw material of Rs.40 per kg is used. 50 kg finished product is produced by using 90 kg material @Rs.28 per kg. Calculate material variances.</td><td>15</td><td>4</td></tr>
<tr><td>Q19</td><td>The profits and sales of two years is given below :-
<table>
<tr><td>Years</td><td>Sales (in Rs.)</td><td>Profit (in Rs.)</td></tr>
<tr><td>2008</td><td>5,00,000</td><td>2,00,000</td></tr>
<tr><td>2009</td><td>8,00,000</td><td>3,50,000</td></tr>
</table>
Calculate
1. Profit Volume ratio
2. Variable Cost
3. Fixed Cost
4. Break Even Point
5. Margin of Safety
6. Profit at a sale of Rs.15,00,000</td><td>15</td><td>4</td></tr>
</table>