

ASSIGNMENT QUESTIONS OF U.G

COMMERCE (B.COM)

SEMESTER – V

DSE 2(a)

Management Accounting

GROUP A

Answer any 1 question (Maximum 600 Words) [1X8= 8]

1. Define Cost Control. State the scope of management accounting. [2+6=8]

2. What is make or buy decision? What are the factors usually trigger the make or buy decision?

[3+5=8]

GROUP B

Answer any 1 question (Maximum 1000 Words) [1X12= 12]

1. (a) A company is expecting to have Rs. 32000 cash in hand on 1.04.2020 and it requests you to prepare cash budget for the three months, April to June 2020. The following information is supplied to you:

Month	Sales (Rs.)	Purchases (Rs.)	Wages (Rs.)	Expenses (Rs.)
February	70,000	44,000	6,000	5,000
March	80,000	56,000	9,000	6,000
April	96,000	60,000	9,000	7,000
May	1,00,000	68,000	11,000	9,000
June	1,20,000	62,000	14,000	9,000

Other information:

(i) Period of credit allowed by suppliers is two months.

(ii) 25% of sales is for cash and the period of credit allowed to customers for credit sales is one month.

(iii) Delay in payment of wages and expenses one month.

(iv) Income Tax Rs. 28,000 is to be paid in June 2020.

(b) Define flexible budget. [10+2=12]

2. What are the assumptions behind break-even analysis? What is break-even point? From the following information, calculate the break-even point in units:

Output= 3000 units

Selling price per unit= Rs. 30

Variable cost per unit= Rs. 20

Total fixed cost= Rs. 20,000

[5+3+4=12]