

**M. Com.
IInd Year**

**Master of Commerce
(M.Com)**

**Also for:
M.Com (F &T)
M.Com (BP &CG)
M.Com (MA &FS)**

**Second Year
ASSIGNMENTS
2015-16**

MCO-05: Accounting of Managerial Decisions

For July 2015 and January 2016 admission cycle



**School of Management Studies
Indira Gandhi National Open University
Maidan Garhi, New Delhi -110 068**

Master of Commerce (M.Com)
Second Year
ASSIGNMENTS – 2015-16

Dear Students,

As explained in the Programme Guide, you have to do one Tutor Marked Assignment for each course.

We are sending the assignments of all the six courses together in this booklet.

Assignment is given 30% weightage in the final assessment. To be eligible to appear in the Term-End Examination, it is compulsory for you to submit the assignments as per the schedule. Before attempting the assignments, you should carefully read the instructions given in the Programme Guide.

These assignments are valid for two admission cycles (**July 2015 and January 2016**). The validity is given below:

1. Those who are enrolled in **July 2015**, it is valid upto **June 2016**.
2. Those who are enrolled in **January 2016**, it is valid upto **December 2016**.

In case you are planning to appear in June Term-End Examination, you must submit the assignments to the Coordinator of your Study Centre latest by 15th March, 2016 and if you are planning to appear in December Term-End Examination, you must submit them latest by 15th September, 2016.

TUTOR MARKED ASSIGNMENT

Course Code	:	MCO – 05
Course Title	:	Accounting of Managerial Decisions
Assignment Code	:	MCO– 05/TMA/2015-16
Coverage	:	All Blocks

Maximum Marks: 100

Attempt all the questions

1. Define Accounting. What are its objectives? Explain the role of Management Accountant in a modern business organization. (20)

2. What is Cash Flow Statement? How does cash flow analysis help the management in decision making? Explain the techniques of preparing a Cash Flow Statement. (20)

3. “A budget is a means and budgetary control is the end result”. Explain. (20)

4. The standard cost of chemical mixture ~ PQ’ is as follows:
40% of material P @ Rs. 400 per kg.
60% of material Q @ Rs. 600 per kg.
A standard loss of 10% is normally anticipated in production. The following particulars are available for the month of March, 2005.

180 kgs of material P have been used @ Rs. 680 per kg.
220 kgs of material Q have been used @ Rs. 360 per kg.
The actual of production of ‘PQ’ was 369 kgs.

Calculate the following variance:
a) Material Price Variance
b) Material Usage Variance
c) Material Mix Variance
d) Material Yield Variance (20)

5. What do you mean by differential costing? How does it differ from marginal costing? Explain its practical applications with the help of suitable examples. (20)