

OXFORD CAMBRIDGE AND RSA EXAMINATIONS
A2 GCE
F014/01

ACCOUNTING

Management Accounting

MONDAY 15 JUNE 2015: Afternoon

DURATION: 2 hours
plus your additional time allowance

MODIFIED ENLARGED

Candidate forename		Candidate surname	
-------------------------------	--	------------------------------	--

Centre number						Candidate number				
--------------------------	--	--	--	--	--	-----------------------------	--	--	--	--

Candidates answer on the Question Paper.

OCR SUPPLIED MATERIALS:

Resource booklet (F014/01/RB)

OTHER MATERIALS REQUIRED:

A calculator may be used

A CALCULATOR MAY BE USED FOR THIS PAPER
--

READ INSTRUCTIONS OVERLEAF

INSTRUCTIONS TO CANDIDATES

Write your name, centre number and candidate number in the boxes on the first page. Please write clearly and in capital letters.

Use black ink. HB pencil may be used for graphs and diagrams only.

The information required to answer Questions 1–4 is contained within the resource booklet.

Answer ALL the questions.

Read each question carefully. Make sure you know what you have to do before starting your answer.

You must show the calculations leading to your answers.

Write your answer to each question in the space provided. Additional paper may be used if necessary but you must clearly show your candidate number, centre number and question number(s).

INFORMATION FOR CANDIDATES

The number of marks is given in brackets [] at the end of each question or part question.

The total number of marks for this paper is 120.

The quality of your written communication will be taken into account in marking your answers to the two questions/sub-questions marked with an asterisk (*).

In one of these questions, the focus will be on your ability to present numerical information legibly and in an appropriate accounting format. In the other, you will be assessed on the legibility and style of writing, the clarity and coherence of your arguments and the accuracy of your spelling, punctuation and grammar.

Any blank pages are indicated.

Answer ALL the questions.

1 REQUIRED

(a) Calculate for the year ended 31 May 2015 the:

break-even point in units

margin of safety in units.

Show your workings to question 1(a) below. [3]

Working Box

--

(b) Taking options 1 and 2 independently, calculate the profit for EACH option. Show the contribution per unit for EACH of the options.

Show your workings to question 1(b) below. [7]

Working Box

[illegible]

(c) For option 1, calculate the sales in units required to achieve a profit of £289 300 in the next financial year.

Show your workings to question 1(c) below.

Working Box

[4]

[illegible]

[illegible]

[illegible]

2 REQUIRED

- (a) The closing stock valuation at EACH of 31 March 2015, 30 April 2015 and 31 May 2015, using the FIFO AND LIFO methods of stock valuation. [9]**

Working Box

[illegible]

[illegible]

[illegible]

(b) The Trading Account for the three-month period ending 31 May 2015, using the FIFO method of stock valuation.

Show your workings to question 2(b) below. [6]

Working Box

(c) Distinguish between periodic and perpetual methods of stock valuation.

[2]

(d) Discuss TWO advantages and TWO disadvantages of using the FIFO method of stock valuation. [8]

3 REQUIRED

(a)* A statement showing the gross profit for EACH of the three years under the FIFO method of valuing issues of stock, if the company used the:

marginal costing approach to valuing stock

absorption costing approach to valuing stock.

Show your workings to question 3(a) below. [24]

Working Box

[illegible]

[illegible]

[illegible]

[illegible]

4 REQUIRED

- (a) The Contract Account for the year ended 31 December 2014. The balances brought down as at 1 January 2015 should be shown in the Contract Account.**

Show your workings to question 4(a) below. [19]

Working Box

[illegible]

[illegible]

[4]

- (c) It is intended that the new factory will include the latest technology and, as a result, lower labour costs at Samore Ltd.**

Discuss the social, moral and ethical implications for the workforce of Samore Ltd, including the introduction of the latest technology in its new factory with reference to its labour force. [6]

[illegible]

END OF QUESTION PAPER



Copyright Information

OCR is committed to seeking permission to reproduce all third-party content that it uses in its assessment materials. OCR has attempted to identify and contact all copyright holders whose work is used in this paper. To avoid the issue of disclosure of answer-related information to candidates, all copyright acknowledgements are reproduced in the OCR Copyright Acknowledgements Booklet. This is produced for each series of examinations and is freely available to download from our public website (www.ocr.org.uk) after the live examination series.

If OCR has unwittingly failed to correctly acknowledge or clear any third-party content in this assessment material, OCR will be happy to correct its mistake at the earliest possible opportunity.

For queries or further information please contact the Copyright Team, First Floor, 9 Hills Road, Cambridge CB2 1GE.

OCR is part of the Cambridge Assessment Group; Cambridge Assessment is the brand name of University of Cambridge Local Examinations Syndicate (UCLES), which is itself a department of the University of Cambridge.

