

**OXFORD CAMBRIDGE AND RSA EXAMINATIONS
A2 GCE**

F014/01

ACCOUNTING

Management Accounting

FRIDAY 17 JUNE 2016: Morning

**DURATION: 2 hours
plus your additional time allowance**

MODIFIED ENLARGED

Candidate forename		Candidate surname	
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Centre number						Candidate number				
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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. If additional space is required, you should use the lined page(s) at the end of this booklet. The question number(s) must be clearly shown.

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 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.

1 REQUIRED

- (a) The closing stock valuation for Martin Ltd as at 31 December 2013, 2014 and 2015, using EACH of the following methods of stock valuation (periodic basis):**

FIFO

LIFO. [8]

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and extend across the width of the page. There are no margins, text, or other markings on the paper.

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

2 REQUIRED

(a) (i) The current factory overhead rate

[illegible]

[illegible]

machine hour rate. [6]

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

[illegible]

[illegible]

[illegible]

[illegible]

This image shows a blank sheet of white paper with ten evenly spaced horizontal black lines, resembling notebook paper. The lines are parallel and extend across the width of the page. There is no handwriting or other markings on the paper.

[illegible]

3 REQUIRED

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

1. marginal costing approach to valuing stock

2. absorption costing approach to valuing stock.

[24]

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[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

(b) State THREE applications of marginal costing in decision-making for a business.

1 _____

2 _____

3 _____

[3]

4 REQUIRED

(a) Calculate

the standard cost for the total production in May 2016

AND

the actual cost for the total production in May 2016. [5]

[illegible]

[illegible]

(b) Calculate EACH of the following variances:

material price

material usage

labour rate

labour efficiency

total variable overhead

total fixed overhead. [12]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

END OF QUESTION PAPER

ADDITIONAL ANSWER SPACE

If additional space is required, you should use the following lined page(s). The question number(s) must be clearly shown in the margin(s).

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