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**[4075]-102**

**M.B.A.**

**102 : MANAGEMENT ACCOUNTING**

**(Sem. - I) (2008 Pattern) (New)**

**Time : 3 Hours]**

**[Max. Marks : 70**

**Instructions to the candidates:**

- 1) *Question No. 1 is compulsory.*
- 2) *Attempt any two questions from section I and section II each.*
- 3) *Figures to the right indicate full marks.*
- 4) *Use of simple calculator is allowed.*

**Q1) Name various Accounting Concepts and explain money measurement concept and Dual Aspect Concept in detail. [10]**

**SECTION - I**

**Q2) What do you mean by Management Accounting? Differentiate it with Financial Accounting. [15]**

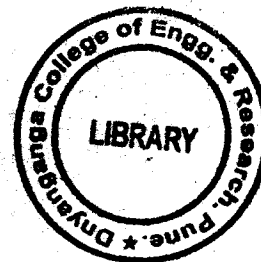
**Q3) What do you mean by Standard Costing? Discuss in detail its advantages and disadvantages. [15]**

**Q4) Distinguish between : (Any Three) [15]**

- a) Management Accounting and Cost Accounting.
- b) Capital Expenditure and Revenue Expenditure.
- c) Fixed Cost and Variable cost.
- d) Over absorption and under absorption of overhead.

**Q5) Write Short Notes (Any Three) : [15]**

- a) Error disclosed by trial balance.
- b) Labour Turnover.
- c) Trade discount & Cash discount.
- d) Different methods of inventory valuation.



**P.T.O.**

**SECTION - II**

**Q6)** The sales and profit during two years were as follows :

[15]

Year	Sales	Total Cost
2009	150000	1,30,000
2010	170000	1,45,000

You are required to calculate :

- The P.V. Ratio.
- The Break Even point.
- The sales required to earn a profit of Rs. 40,000.
- The profit made when sale are Rs. 2,50,000.
- The Margin of safety for 2009 and 2010.

**Q7)** A factory is currently working to 50% capacity and produces 10000 units. Estimate the profits of the company when it works to 60% and 80% capacity. At 60% working material cost increased by 2% and selling price falls by 2%. At 80% capacity raw material cost increases by 5% and selling price falls by 5%.

[15]

At 50% capacity working the product costs Rs. 180 per unit and is sold at Rs. 200 per unit. The unit cost of Rs. 180 is made up as follows:

Material	Rs. 100
Labour	Rs. 30
Factory Overhead	Rs. 30 (40% fixed)
Administrative Overhead	Rs. 20 (50% fixed)

**Q8)** From the following Trial balance of Mr. Aaryan as at 31<sup>st</sup> March 2010. Prepare Trading and Profit & Loss Account for the year ended 31<sup>st</sup> March, 2010 and a Balance Sheet as on that date:

[15]

Debit Balance	Amount	Credit Balance	Amount
Stock	45000	Capital	75000
Plant and Machinery	75000	Sales	420750
Purchases	225000	Sundry Creditors	15000
Trade Expenses	10000	Bad Debts Provision	200
Carriage Inward	2500	Bills Payable	2000
Carriage Outward	1500		
Factory Rent	1500		
Discount	350		
Insurance	700		
Sundry debtors	60000		

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Office Rent (For Two Year)	3000
Printing and Stationery	600
General expenses	2800
Advertising	15000
Bills Receivable	6000
Drawings	6000
Salaries	15000
Wages	20000
Furniture	7500
Coal and Gas	1000
Cash in Hand	2000
Cash at Bank	12500
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## Additional Information

- Closing Stock amounted to Rs. 35000.
- Depreciate Machinery by 10% and Furniture by 5%
- Write bad debts Rs. 500 and provision for bad debts @ 5%
- Outstanding Factory Rent Rs. 300 and Wages Rs. 2000.
- Insurance paid up to 30<sup>th</sup> Sept. 2010.

**Q9)** Calculate Prime Cost, Factory Cost, Cost of Production, Cost of sales and profit From the following Particulars. **[15]**

Direct materials	100000
Direct wages	30000
Wages of foreman	2500
Electric power	500
Lighting (75% Factory & 25% Office)	2000
Storekeeper's Wages	1000
Oil and water (factory)	500
Rent (2/3 Factory & 1/3 Office)	7500
Repairs and Renewals :	
Factory Plant	3500
Office Premises	500
Transfer to Reserves	1000
Discount on shares written off	500
Dividend	2000
Depreciation :	
Factory Plant	500
Office Premises	1250
Consumable stores	2500

Manager's Salary	5000
Director's Fees	1250
Office Stationery	500
Telephone charges	125
Postage and Telegrams	250
Salesmen's Salaries	1250
Travelling expenses	500
Advertising	1250
Warehouse Charges	500
Sales	189500
Carriage outward	375
Income Tax	10000
Manager's Salary distributed in the ratio 2:2:1	



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