

Enrollment No: \_\_\_\_\_

Exam Seat No: \_\_\_\_\_

# C.U.SHAH UNIVERSITY

## Winter Examination-2018

Subject Name: Management Accounting - I

Subject Code: 4CO05MAC2

Branch: B.Com (English)

Semester: 5

Date: 26/11/2018

Time: 10:30 To 01:30

Marks: 70

Instructions:

- (1) Use of Programmable calculator & any other electronic instrument is prohibited.
- (2) Instructions written on main answer book are strictly to be obeyed.
- (3) Draw neat diagrams and figures (if necessary) at right places.
- (4) Assume suitable data if needed.

<b>Q-1</b>	<b>Attempt the following questions:</b>	<b>(14)</b>
	a) State any two characteristics of management accounting	1
	b) Name any two techniques of management accounting	1
	c) Explain the meaning of fund	1
	d) Name any two items of application of fund	1
	e) Provide the formula of margin of safety	1
	f) What is the meaning of key factor?	1
	g) If selling price and variable cost per unit is Rs.5 and Rs. 3 respectively find the contribution per unit.	1
	h) If idle time variance is Rs. 100 it is favorable or unfavorable?	1
	i) State the meaning of variance	1
	j) What is the full name of RSQ in material variance?	1
	k) What does material price variance suggest?	1
	l) State the difference between standard hours and actual hours	1
	m) Name any two items of adjusted P & L account	1
	n) How we can find contribution per key factor ?	1
<b>Attempt any four questions from Q-2 to Q-8</b>		
<b>Q-2</b>	<b>Attempt all questions</b>	<b>(14)</b>
	a) State assumptions and limitations of marginal costing	7
	b) ' Various decisions can be taken with the help of marginal costing' - Explain	7
<b>Q-3</b>	<b>Attempt all questions</b>	<b>(14)</b>
	a) Explain advantages and limitations of standard costing	7
	b) Discuss the procedure for setting the standards	7
<b>Q-4</b>	<b>Attempt all questions</b>	<b>(14)</b>
	a) Explain in brief various labour variances	7
	b) Discuss importance and limitation of fund flow statement	7
<b>Q-5</b>	<b>Attempt all questions</b>	<b>(14)</b>
	a) State the difference between management accounting and cost accounting	7
	b) Explain the functions of management accounting	7



**Q-6****Attempt all questions****(14)****a**

From below information calculate fixed cost, PV Ratio, BEP, Profit at a sales of Rs.54, 000 and Sales to earn a profit of Rs.9, 000.

Period	Sales	Profit
I	39,000	4200
II	43,000	5400

**b**

Prepare statement showing change in working capital

Particulars	2018(Amt.)	2017(Amt.)	Particulars	2018(Amt.)	2017(Amt.)
Sundry creditors	120000	90000	Prepaid wages	26000	16000
Sundry debtors	140000	140000	Bills payable	42000	35000
Cash	100000	120000	Income tax provision	61000	88000
Bank OD	30000	45000	Balance with bank	42000	52000
Closing stock	210000	180000	Proposed dividend	8000	12000
Outstanding light bill	20000	18000	P.F	75000	70000

**Q-7****Attempt all questions****(14)****a**

Standard material requirement for manufacturing 100 kg. Chemical X is given below.

50 kg of material A @ Rs. 2.10 per kg.

40 kg of material B @ Rs. 4.30 per kg.

30 kg of material C @ Rs. 6.20 per kg

The standard loss is 20 kg.

During the week 2000 kg. Of chemical X were produced and the actual usage of material were as follows.

Material A 1100 kg. @ Rs. 1.90 per kg.

Material B 870 kg. @ Rs. 4.20 per kg.

Material C 630 kg. @ Rs. 6.50 per kg.

Calculate all material variances

**Q-8****Attempt all questions****(14)****a**

If Fixed cost is Rs.1, 50,000, selling price per unit is Rs. 15, variable cost per unit is Rs.10. Find out P.V Ratio, B.E.P. (units & Rs.) & profit at a sale of 25,000 units.

**b**

Standard hours for producing 1 unit is 6, standard rate & actual rate per hour is Rs. 5.50 & Rs.6.25 respectively, actual hours for producing 1,500 units are 8,200, idle time is 30 hours calculate labour variance

