Seat No.

## M.B.A.-I (Semester-I)(Regular) Examination, 2013

## MANAGEMENT ACCOUNTING (Paper-II)

Sub. Code: 48321

Day and Date: Thursday 30 - 05 - 2013

Total Marks: 70

Time: 10.00 a.m. to 1.00 p.m.

**Instructions:** 

- 1) Q1 and Q5 are compulsory.
- 2) Solve any Two questions from Q2, Q3 & Q4.

## Q1) Caselet:

[20]

On June 30, 2010, a flash flood damaged the warehouse and factory of ABC corporation completely destroying the W/P inventory. There was no damage to either the raw materials or finished goods inventories. A physical verification taken after the flood revealed the following valuations -

D u≛ 'e ee	Rs.		
Raw materials	62,000		
Work in progress	2?		
Finished goods	1,19,000		

The inventory on Jan 1, 2010 consisted of the following -

30,000
1,00,000
1,40,000
2,70,000

A review of the books and records disclosed that gross profit margin historically approximated 25% on sales. The sales for the first six months of 2010 were Rs. 3,40,000. Raw materials purchase were Rs. 1,15,000. Direct labour cost for the period were Rs. 80,000 and manufacturing overhead has historically been 50% of direct labour. Compute the cost of W/P inventory lost at 30th June, 2010 by preparing a statement of cost & profit.

- a) You have to prepare correct Trading & Profit & Loss A/c for the year ended 31st March, 2012 and [10]
- b) Also corrected Balance-sheet as on that date. [10]

The following Trading & Profit & Loss accounts prepared by a Junior Accountant have to be redrafted correctly into final accounts after taking into account the items given at the end.

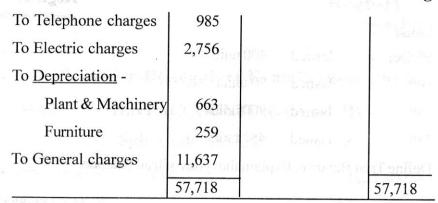
Trading A/c

	Trac	ing A/C	
Particulars	Rs.	Particulars	Rs.
To Opening stock	7,352	By Closing stock	9,368
To Purchases	63,681	By Sales	1,70,852
To Sundry creditors	25,375	By Sundry debtors	40,659
To Carriage inwards	2,654	By Gross Loss c/d	8,182
To Carriage outwards	394	r compressly descriving in The exactals or finished a	editaria
To Salaries	24, 370	the Huled revealed the follo	afroncer
To Wages	51,963		
To Rent, rates & taxes	3,981	raterials	n wa H
To Insurance	13,923	in progress	MicV/
	2,29,061	od goods 1.	2,29,061

## Profit & Loss A/c

Particulars	Rs.	Particulars 2851901q	Rs.
To Gross Loss b/d	8,182	By Bank Overdraft	17,681
To Int. on Loan	6,180	By Interest on Bank	
ed that gross protection		Overdraft	0 123
To Dividend from	se onll so	By Net Loss	39,914
Investment	9,375	s die p <b>er</b> tod was Es. 8	
To Furniture purchased	1 17.001	co 50% of cheet later to 2010 by preparing a	

[8]



The items to be taken into account -

Capital - Rs. 1,42,692 Plant - Rs. 2009

Loan - Rs. 20,000 Investment - Rs. 1,00,000

- Q2) a) From the following data, you are required to calculate
  - i) P/V Ratio ii) Break Even Sales iii) Sales required to earn a profit of Rs. 4,50,000.

Fixed Expenses Rs. 90,000

Variable cost per unit:

Direct material- Rs. 5-00 Selling price per unit Rs. 12

Direct labour Rs. 2-00

Direct expenses Rs. 2-00

- b) Define cost accounting. State the advantages of cost accounting. [7]
- Q3) a) Prepare stores ledger account under 'Weighted Average Method' of pricing material issues receipts:

Oct. 2012 - Receipts -

3<sup>rd</sup> Purchased - 500 units @ Rs. 4.00 per unit

4<sup>th</sup> Purchased - 100 units @ Rs. 4.20 per unit

10<sup>th</sup> Purchased - 50 units @ Rs. 4.25 per unit

13<sup>th</sup> Purchased - 800 units @ Rs. 4.30 per unit

23rd Purchased - 850 units @ Rs. 3.80 per unit

		<u>Issues</u>				
		5 <sup>th</sup> Oct	Issued	400 units		
		$10^{th}$	Issued	50 units		
		15 <sup>th</sup>	Issued	900 units	weer & Machinery	
		25 <sup>th</sup>	Issued	450 units		[8]
•	b)	Define Tria	ıl Balance. Ex	xplain the types	of trial balance.	[7]
Q4)	a)	Define fina	ncial account	ing. Explain co	nventions of it.	[8]
	b)	Distinguisl	n between man	nagement accou	anting & financial acco	unting.[7]
Q5)			es on (any 4)			[20]
	a)	Accounting	g concepts.			
	b)	Types of s	ubsidiary boo	oks.		
	c)	First in Fir	st out method	l		
	d)	Straight Li	ne Method.			
	e) f)	Bank Reco	ा, गाव शासाधन्य	tement - Need.	Variable cost per unit  Direct material  Direct material	

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