

M.B.A. (CBCS Pattern) Semester-II
PCB2C03 - Cost and Management Accounting

P. Pages : 3

Time : Three Hours



GUG/W/24/10684

Max. Marks : 70

- Notes :
1. Attempt **any five** questions.
 2. All questions carry equal marks.

1. Differentiate between cost & management accounting.
2. What do you mean by reconciliation statement ? Explain purpose of reconciliation.
3. Explain the term contract costing. Give detail of work certified and work uncertified.
4. What is budget ? Explain the objective and characteristics of good budgets.
5. What is ratio analysis? Explain in detail.
6. Rashi manufacturing company the net profit for the year ended on 31st Dec. 2001 Rs. 64,377 as per financial books for the same period. Profit as per cost book Rs. 86,200. The following information will be received after the comparing of the book account. Prepare reconciliation statement.

Particulars	Amount
Factory overhead under charge in cost account.	1560
Office overhead over charge in cost account.	850
Depreciation as per financial books.	5600
Depreciation as per cost book.	6250
Interest on investment was not included on cost A/c.	4000
Loss by the sale of Assets in only financial books.	2850
Income tax charge in financial book.	20150
Interest on book deposit and transfer fees in financial book.	375
Material adjustment credited in financial book account.	237
Loss by the depreciation charge on opening stock in financial account.	3375

7. Prepare contract A/c no. 150. The contract start on 1st January 2020 and the work done on 31st December 2023. All the expenditure are as follows.

Contract price	800000
Wages	88200
Plant issued to contract	100000
Work certified	300000
Work uncertified	5000
Depreciation on plant 10% pa	
Material purchase	166500
Sub contract	16000
Material in hand	10000
Cash Received	240000
Plant destroyed	10000

8. Following information is received from the books of Hindustan Book Ltd. for the year 31-3-2015.

Sales	900000
Sales Return	50000
Opening stock of material	99500
Purchase of material	320000
Direct wages	225250
Manufacturing expenses	14250
Closing stock of material	89000
Closing stock of finished goods	60000
Selling and distribution expense	30000
Administrative expense	150000
Financial expense	15000
<u>Non Operating Expense :</u>	
(a) Loss on sale of Assets	4000
<u>Non Operating Income :</u>	
(a) Interest on fixed deposit	3000
(b) Profit on sale of share	6000

Calculate :

- Gross Profit Ratio.
- Operating Net Profit Ratio.
- Operating Ratio.
- Selling and Distribution Ratio.
- Net Profit Ratio.

9. Following are the balance sheet of United Traders Ltd.

Balance Sheet

Liabilities	2002	2001	Assets	2002	2001
Creditors	87000	93000	Cash	18000	27000
Debenture	22500	30000	Closing stock	117630	97680
Share capital	105000	90000	Bills receivable	57000	64050
P & L A/c	32130	16680	Long term Investment	33000	24000
			Furniture	21000	16950
	246630	229680		246630	229680

Adjustment:

- During the year dividend was paid Rs. 10000.
- Depreciation charged on furniture 2000 prepare fund flow statement.

10. Sachin Company Ltd. Gives the following information. You are ask to prepare cash budget for three months ending on 30th June.

Month	Sales	Purchase	Wages	Overhead
January	60000	40000	10000	6000
February	50000	48000	11000	8000
March	60000	50000	12000	7000
April	80000	52000	15000	6000
May	86000	60000	18000	7000
June	70000	50000	20000	8000

Adjustment:

- i) Cash balance on 1st April 2009 to be Rs. 20000
- ii) Time-sales 2 month, credit purchase 1 month, wages 1 month, overhead ½ month.
- iii) Share call money Rs. 30000 is to be received on 1st April and 1st July 2009.
- iv) Advance tax paid Rs. 10000 in May 2009.
- v) Rs. 4000 of installed of plant to be paid in the month of June 2009.
