Roll No. ☐☐☐☐☐☐☐☐☐☐☐☐ **Total No. of Pages : 03**

Total No. of Questions : 17

MBA/MBA(IB) (2018 & Onwards) (Sem.–1)

ACCOUNTING FOR MANAGEMENT AND REPORTING

Subject Code : MBA-104-18

M.Code : 75405

Time : 3 Hrs. **Max. Marks : 60**

INSTRUCTION TO CANDIDATES :

1. **SECTION-A contains EIGHT questions carrying TWO marks each and students has to attempt ALL questions.**
2. **SECTION-B consists of FOUR Subsections : Units-I, II, III & IV. Each Subsection contains TWO questions each carrying EIGHT marks each and student has to attempt any ONE question from each Subsection.**
3. **SECTION-C is COMPULSORY and carries TWELVE marks.**

SECTION-A

Answer the following objective type questions :

1. Explain three merits of accounting.
2. What is margin of safety?
3. How standard costing differ from budgetary control?
4. Define US GAAP.
5. Discuss in detail benefits of financial management.
6. Define transfer pricing.
7. Discuss the significance of budgetary control.
8. How will you calculate cash from operation?

SECTION- B

UNIT-I

9. What do you mean by management accounting? Discuss in detail scope, nature and functions of management accounting
10. Discuss in detail with the help of examples tools and techniques of management account.

UNIT-II

11. From the following information explains how absorption costing differ from marginal costing, which technique is better in the short period and why?

Normal level of production	2600 units per period
Sale price	Rs. 10 per unit
Variable cost	Rs. 6 per unit
Fixed cost	Rs. 3 per unit
Total Fixed cost	Rs. 7800

Information relating to the production and sales

	Period-I	**Period-II**	**Period-III**	**Period-IV**
Opening stock(units)	-	-	500	200
Production (units)	2600	3000	2500	3000
Sales (units)	2600	2500	2800	3200
Closing stock(units)		500	200	-

12. The following data are available with respect to particular department for weekly operations :

Budgeted Output for 40 hours week	2,000 units
Budgeted Fixed Overheads	Rs. 2,000
Actual Output	1,800 units
Actual hours worked	32
Actual fixed overheads	Rs. 2,250

Compute overheads, expenditure and volume variances.

UNIT-III

13. a) From the following information relating to Y LTD calculate the cash flow from operating activities :

PARTICULARS	**Rs.**
Operating profits before changes in operating assets	57,500
Debtors (decrease)	5,000
Stock (increase)	2,000
Bills Payable (decrease)	4,500
Creditors(increase)	3,200
Cash at bank (increase)	20,000

b) Discuss in detail advantage and limitations of cash flow statement.

14. Discuss in detail with the help of example the procedure of making fund flow statement.

UNIT-IV

15. Define target costs. Discuss in detail procedure and managerial applications of target costing with the help of example.

16. Describe in detail meaning, nature and limitation of financial statement analysis. How financial statement can be prepared and presented according to IFRS?

SECTION-C

17. ABC Company produces two types of stereo units. Activity data follows :

Product-costing data			
Activity Usage Measure	**Deluxe**	**Regular**	**Total**
Units produced per year	5000	50000	55000
Prime cost (Rs.)	39000	369000	408000
Direct labour hours	5000	45000	50000
Machine hours	10000	90000	100000
Production runs	10	5	15
Number of moves	120	60	180
Activity cost data (overhead activities)			
Activity		**Activity cost (Rs.)**	
Setting up equipment		60,000	
Material handling		30,000	
Using power		50,000	
Testing		40,000	
Total		**18,0000**	

Required :

1. Calculate the consumption ratios for each activity.
2. Group activities based on the consumption ratios and activity level
3. Calculate a rate for each pooled group of activities.
4. Using the pool rates, calculate unit product costs.

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.