Roll No. .... Total No. of Pages : 3

MMS/D11 6079

Accounting for Managers

Paper : CP–106

Time : Three Hours] [Maximum Marks : 70

Note :– Attempt **FIVE** questions in all. Question No. **1** is compulsory. All questions carry equal marks.

1. Write note on the following :
   (a) Convention of Conservatism
   (b) Revaluation Accounting
   (c) Standard Costing
   (d) Window Dressing
   (e) Capital Gearing Ratio
   (f) Fixed and Variable Cost
   (g) Budgeting Control.

2. Explain the various tools and Techniques of Management Accounting. 14

3. (i) From the following information calculate :
   (i) P/V Ratio
   (ii) Break-even Point

(iii) Margin of Safety

	Rs.
Total sales	3,60,000
Selling Price, Per Unit	100
Variable Cost, Per Unit	50
Fixed Cost	1,00,000

(ii) Graphically, prepare a Break-even chart, depicting Angle of incidence and its significance. 7×2=14

4. Write notes on :

(a) Written Down value Method of Charging Depreciation.

(b) Difference between Income and Expenditure A/c and Profit and Loss A/c. 7×2=14

5. Write a detailed note on significance of Fund Flow Statement. Illustrate with the help of example. 14×1=14

6. Write notes on the following (any **two**) :

(a) Zero-Base Budgeting

(b) Fixed and Flexible Budget

(c) Significance of Standard Costing. 7×2=14

7. (a) Find out operating ratio from the following information :

	Rs.
Cost of Goods sold	3,50,000
Selling and Distribution Expenses	20,000

Administrative and Office Expenses	30,000
Net Sales	5,00,000

(b) The net sales of Apple Co. are Rs. 20 crores. The EBIT of the company as a percentage of sales is 15%. The capital employed of the company comprises of Rs. 6 crores of Equity, Rs. 1 crore of 12% preference shares and Rs. 3 crores of 16% Debt capital. The company's profit is subject to tax at 50%. Calculate the Return on Equity (ROE) for the company. 7×2=14

8. The following are the costing records for the year 2002 :

	Rs.
Production 1,000 units	
Cost of Raw Materials	20,000
Labour Cost	12,000
Factory overheads	8000
Office overheads	4,000
Selling expenses	1,000

Rate of profit : 25% on selling price

Manufacturer decided to produce 1500 units during the year 2003. It is estimated that the cost of raw material will increase by 20%, the labour cost will increase by 10%, 50% of the overhead charges are fixed and the other 50% are variable. The selling expenses per unit will be reduced by 20% . Rate of profit will remain same. Prepare a cost statement for the year 2003 showing profit and selling price per unit. 14