

MBA-I / SEM-II / Managerial Accounting (2023-24)**COMPREHENSIVE CONCURRENT EVALUATION 2022-23****Course Code: 101****Course Name: Managerial Accounting****Faculty Name: Dr. Poonam M. Khadke**

1. The course is evaluated on the basis of three components

Sr. No.	Parameter / Component	Marks	Date
1	Field Visit	50	16 th Nov. 2023
2	Written Home Assignments	50	6 th Nov. 2023
3	Term Paper	50	

2. Assignment to be submitted in person.

3. Student Name, Contact Number, email-id, Specialization, Component must be clearly mentioned.

Component No: 1 - Field Visit

In this component, the students will be asked to

- meet any firm who is having manufacturing unit
- collect information regarding the cost of the product.
- Classify all cost properly according to overheads.
- Prepare the cost sheet of that product

❖ Report should include-

1. Introduction
2. Product information
3. Cost Sheet
4. SWOC Analysis
5. Photos

Component No: 2 - Written Home Assignments

- 1) A firm maintains subsidiary books and journals, then why it is essential for it to prepare ledger accounts?
 - 2) What do you mean by business decision? Explain its importance.
 - 3) What are the different forms of business organization?
 - 4) What do you mean by Book-Keeping and accounting? Explain its importance, advantages and limitations of accounting.
 - 5) Describe difference between Accounting Concepts and conventions.
 - 6) Explain difference between Financial Accounting, Cost Accounting & Management Accounting.
 - 7) State the advantages of double entry accounting system.
 - 8) Enumerate the concept of Real Account and give examples.
 - 9) What do you mean by financial Statements? Explain its objectives and Importance in detail.
 - 10) Explain advantages and limitations of financial Statements.
 - 11) Briefly explain how to make financial decision on the basis of Financial Statements.
-

12) How does cost volume profit (CVP) analysis help the management of a firm in its decision making?

13) Explain variable, fixed and semi-variable costs and cite examples for these.

14) Differentiate between capital and Revenue Expenditure.

15) What is cost accounting? Explain its objectives.

16) What is standard costing? Explain the advantages & disadvantages of standard costing.

17) Write Short Notes On –

1) Define Budget

2) Write the types of material variance

3) Ledger

4) Trial Balance

5) Subsidiary Books.

6) Cost Centre

7) Journal

8) Cost Accounting

9) Cost Accountancy

10) Types of Cost Centre

11) Sunk Cost

12) Opportunity Cost

18) Journalise the following transaction in the books of Kumar and prepare necessary ledger accounts:

2019, Jan.

1. Kumar started a Business with the capital of Rs. 60,000.

3. Amount received from Bank Rs. 10,000.

4. Purchased goods from Ravi for Rs. 5,000.

5. Returned goods to Ravi for Rs. 1,000.

6. Sold goods for cash Rs. 5,000.

9. Sold goods to Lakshman for Rs. 3,500.

10. Amount of Rs. 3,750 paid to Ravi as full settlement.
12. Lakshman returned the goods worth Rs. 500. Complaint about damages.
20. Paid Salaries Rs. 2,500.
21. Dividend received Rs. 1,000.
22. Amount paid to Mohan through a bank at Rs. 1,500.
24. Withdraw money from business for private use Rs. 1,000.
30. Withdraw money from Bank for Business use Rs. 3,000.

19) From the following Trial balances of Mr. Gagannath for the yearending on 31.12.2019, prepare Final Accounts with the closing stock of Rs.15,000.

<i>Particulars</i>	<i>Debit</i>	<i>Credit</i>
<i>Stock (1.1.2019)</i>	<i>46,800</i>	<i>-</i>
<i>Returns Inwards</i>	<i>10,000</i>	<i>-</i>
<i>Purchases</i>	<i>2,40,000</i>	<i>-</i>
<i>Rents & Rates</i>	<i>4,000</i>	<i>-</i>
<i>Sales</i>	<i>-</i>	<i>3,21,900</i>
<i>Debenture</i>	<i>-</i>	<i>25,000</i>
<i>Reserve Fund</i>	<i>-</i>	<i>45,000</i>
<i>Sundry Debtors</i>	<i>60,000</i>	<i>-</i>
<i>Salaries</i>	<i>3,000</i>	<i>-</i>
<i>Commission Received</i>	<i>-</i>	<i>4,900</i>
<i>Bad Debts</i>	<i>2,000</i>	<i>-</i>
<i>Bad Debts Provision</i>	<i>-</i>	<i>6,000</i>
<i>Wages</i>	<i>6,000</i>	<i>-</i>
<i>Return Outwards</i>	<i>-</i>	<i>2,000</i>



DNYANSAGAR INSTITUTE OF MANAGEMENT AND RESEARCH

<i>Bills Receivable</i>	25,000	-
<i>Investments</i>	60,000	-
<i>Sundry Creditors</i>	-	20,000
<i>Bank Overdraft</i>	-	5,000
<i>Cash in Hand</i>	11,000	-
<i>Goodwill</i>	26,000	-
<i>Capital</i>	-	63,000
<i>Furniture</i>	15,000	-
<i>General Expenses</i>	2,000	-
<i>Discount (cr)</i>	-	18,000
	<hr/> 5,10,800	<hr/> 5,10,800 <hr/>

20) From the following Trial Balance of B & B Sons., Bhopal, prepare Trading and Profit & Loss Account for the year ended 2020 and a Balance Sheet as on that date after considering the following adjustments.

Trial Balance as on 31st March 2020

Particulars	Debit (Rs.)	Credit (Rs.)
Bharat's Capital	-----	2,00,000
Land & Buildings	87,000	
Plant & Machinery	17,500	
Goodwill	20,000	
Bharat's Drawing	22,600	
Cash in hand	1,795	
Stock as on April 2020	27,000	
Wages	10,000	
Purchases Less Returns	69,000	
Carriage Inward	600	
Traveller's Commission and Expenses	6,000	
Insurance Premium	2,000	
Motor Car	3,000	
Carriage Outward	1,400	
Sales Less Returns	----	94,000

DNYANSAGAR INSTITUTE OF MANAGEMENT AND RESEARCH

Salaries	15,000	
Bank Charges	105	
Reserve for Doubtful Debts	---	1,500
Debtors	20,000	
Creditors	---	7,500
Total		

Adjustments:

- i) On 31st March 2020 the stock was valued at Rs.46,000.
- ii) Insurance Premium amounting to Rs.800 is prepaid.
- iii) Outstanding salaries amounted to Rs.1000.
- iv) Depreciate Plant & Machinery @ 10% p.a. and Motor Car @ 20% p.a.
- v) Create a Reserve for Doubtful Debts @ 10% on Debtors.

21) From the following particulars taken out from the books of Malhar Electricals prepare trading, P&L A/c for the year ended 31st March, 2022 and Balance Sheet as on that date.

Trial Balance

Particulars	Debit Amount Rs.	Credit Amount Rs.
Sundry Debtors	52,000	
Cash in Hand	2,392	
Creditors		22,000
Furniture & Machinery	27,500	
Motor car	22,000	
Purchases	1,45,000	
Sales		2,92,000
Sales Return	2,600	
Salaries	8,420	
Opening stock	11,400	
Motor Car Expenses	6,108	
Rent, Rates and Taxes	3,600	
Insurance Premium		
Paid on 1 st November 2021	2,400	
Cash at Bank	6,200	
Wages	23,600	

DNYANSAGAR INSTITUTE OF MANAGEMENT AND RESEARCH

General Expenses	2,680	
Carriage Inward	2,040	
Carriage Outward	1,630	
Fuel & power	6,430	
Capital		20,000
Drawings	8,000	
Total	3,34,000	3,34,000

Adjustments:

- i) Closing stock amounted to Rs. 35,000.
- ii) Goods of Rs. 2,000 were distributed as free samples.
- iii) Further Bad debts of Rs. 2,000 and a provision for bad debts @ 5% on Debtors to be made.
- iv) Depreciate furniture & Machinery by 10% and motor car by 20%.
- v) Outstanding wages is Rs. 6,400.

22) From the following information prepare a statement showing

(i) Prime cost (ii) Works cost (iii) Cost of Production (iv) Cost of Sales

(v) Net profit of X Ltd. which produced and sold 1000 units in June 2019.

Opening Stock:

Raw Materials	24,000
Finished goods	16,000
Closing stock:	
Raw Materials	20,000
Finished goods	15,000
Purchase of Raw Materials	80,000
Sales	2,00,000
Direct Wages	35,000
Factory Wages	2,000
Carriage Inward	2,000
Carriage Outward	1,000
Factory Expenses	4,000
Office Salaries	15,000
Office Expenses	12,000
Factory Rent & Rates	2,500
Depreciation - Machinery	2,500
Bad Debts	1,500

23) From the books of accounts of M/s. Tejas Enterprises, following details have been extracted for the year ending 31st Dec, 2018:

Opening stock of raw material	2,88,000
Closing stock of raw material	3,00,000
Material purchased during the year	9,42,000
Direct labor cost	4,43,000
Indirect wages	54,000
Salaries to office staff	2,12,000
Freight outward	43,000
Repairs for plant and machinery	21,000
Factory rent and taxes	55,000
Office rent and taxes	32,000
Distribution expenses	76,000
Salesman salaries and commission	54,000
Manager's salary	60,000
(40% of his time used in factory & rest in office)	
Factory electricity charges	25,000
Office telephone expenses	5,000
Opening stock of finished goods	2,03,000
Closing stock of finished goods	1,12,000
Depreciation of office furniture	13,000

You are required to prepare cost sheet for the firm from the above given details.

24) From the following information prepare a cost sheet for the month of June, 2022 to show the prime cost, factory cost, cost of production and total cost for Krishna manufacturing Ltd.

Particulars	H
Direct Material	1,14,000
Sales	2,32,000
Factory rent and rates	5,000
Direct wages	57,000
Factory Heating and lighting	800
Telephone and postage charges	400
Plant repairs	2,000
Office salary	3,200
Advertising	3,000
Factory Managers salary	4,000
Legal charges	300
Director's remuneration	3,000
Office rent	1,000
Plant maintenance and description	2,500
Salary of salesman	5,000
Showroom rent	1,000

25) Prepare a Statement of Cost from the following information relating to Shah Traders, Mumbai for the year ended 31.03.2020.

Particulars	Amount (Rs.)
Cost of Direct Materials	2,00,000
Sales	4,00,000
Direct Wages	1,00,000
Office Indirect Materials	5,000
Cost of special patterns	40,000

DNYANSAGAR INSTITUTE OF MANAGEMENT AND RESEARCH

Postage and Telegram	2,000	
Factory Rent and Insurance	5,000	
Outstanding Chargeable expenses	2,000	
Carriage Outward	2,500	
Interest on Loan	2,150	
Printing and Stationery	500	
Factory Indirect Wages	3,000	
Selling expenses	4,000	
Travelling and Salesman's Salary	4,000	
Factory Indirect Materials	1,000	
Royalties	8,000	
General Works Overheads	2,000	

26) The Ram Ltd. Furnish the following information:

	First Half	Second Half
Sales	20,00,000	30,00,000
Profit	2,00,000	4,00,000

You are required to calculate.

- i) P/V Ratio
- ii) Fixed expenses
- iii) BEP.
- iv) Sales to earn profit Rs. 5,00,000.
- v) Profit when sales are Rs.15,00,000.

27) Sales Rs.1,00,000; Profit Rs.10,000; Variable cost 70%.

Find out:

- i) P/V ratio
- ii) Fixed Cost
- iii) Sales volume to earn a Profit of Rs.40, 000.

28) A company producing a single product charges selling price per unit for Rs. 10. The marginal cost is Rs. 6 and fixed cost Rs. 400 p.a. calculate.

- vi) P/v ratio.
- vii) Break-even sales.
- viii) Sales to earn profit of Rs. 500.
- ix) Profit at sales of Rs. 3,000.
- x) Contribution per unit.

29) The sales turnover and profit during two years were as follows:

Year	Sales (Rs.)	Profit (Rs.)
2020	1,40,000	15,000
2021	1,60,000	20,000

You are required to calculate:

- iv) P/V ratio
- v) Sales required to earn a profit of Rs.40,000.
- vi) Profit when sales are Rs.1,20,000.

30) Solve any one.

- a) The standard mix for each batch of 250 units of product A is:

Material A 15 kgs at Rs. 15 = Rs. 225

Materials B 10 kgs at Rs.10 = Rs. 100
25 kgs Rs. 325

During April, 10 batches were completed with actual consumption asfollowing:

Material A 155 kgs at Rs. 2170
 110 kgs at Rs.1,210
265 kgs Rs. 3,380

Actual output was 2,400 units calculate:

- i) Material price variance.
- ii) Material usage variance.
- iii) Material cost variance.

31) The Standard mix to one unit of product is as follows:

Material	Standard		Actual	
	Quantity	Rate (Rs.)	Quantity	Rate (Rs.)
Material A	40	Rs.10/kg	20	Rs.35/kg
Material B	20	Rs.20/kg	10	Rs.20/kg
Material C	20	Rs.40/kg	30	Rs.30/kg

From the following information compute the following variances:

- i) Material Cost Variance
- ii) Material Price Variance
- iii) Material Usage Variance

32) Prepare a cash Budget of Surya Ltd. for April, May and June 2022.

Months	Sales(Rs.)	Purchases(Rs.)	Wages (Rs.)	Expenses(Rs.)
Jan (Actual)	80,000	45,000	20,000	5,000
Feb (Actual)	80,000	40,000	18,000	6,000
March (Actual)	75,000	42,000	22,000	6,000
April (Budget)	90,000	50,000	24,000	7,000
May (Budget)	85,000	45,000	20,000	6,000
June (Budget)	80,000	35,000	18,000	5,000

Additional Information:

- iv) 10% of the purchases and 20% of sales are for cash.
- v) The average collection period of the company is 1/2 month and the credit purchases are paid regularly after one month.
- vi) Wages are paid half monthly and the rent of Rs. 500 included in expenses is paid monthly and other expenses are paid after one month lag.
- vii) Cash balance on April, 1, 2022 May be assumed to be Rs. 15,000.