

**SARDAR PATEL UNIVERSITY**  
**B.Com. (IV Semester) EXAMINATION**  
 Friday, 05<sup>th</sup> April 2019  
 10.00 a.m. to 12.00 p.m.

**UB04CCOM20 : Fundamentals of Management Accounting**

Total Marks : 60

- Q.1 A. Difference between Management Accounting and Cost Accounting. (7)  
 B. Explain : Scope of Management Accountancy (8)  
 OR  
 A. Difference between Management Accounting and Financial Accounting. (7)  
 B. Discuss : Limitations of Financial Accounting. (8)

Q.2 From the following details of Ruby Ltd., prepare Cash Budget from April to June, 2019. (15)

1. Estimated Cash balance on 1-4-2019- Rs.70,000

2. Other information :---

Month	Sales	Purchases	Wages	Fixed overheads	Variable overheads
February	4,00,000	1,80,000	60,000	25,000	40,000
March	5,40,000	2,40,000	80,000	25,000	56,000
April	6,00,000	2,70,000	90,000	25,000	60,000
May	5,50,000	2,50,000	84,000	25,000	56,000
June	6,20,000	2,80,000	94,000	25,000	62,000

3. Sales :--- 25% Cash

75% Credit ( Credit period offered to customers- 1 month)

4. Purchases :-- 20% Cash

80% Credit ( Credit period allowed by suppliers – 2 months)

5. Time lag :--- Wages  $\frac{1}{2}$  Month, Variable Overheads –  $\frac{1}{4}$  Month

6. Dividend amount likely to be received in the month of June is Rs. 30,000

7. Monthly Fixed Overheads include Depreciation of Rs. 5,000.

OR

Q.2 Following information is available of Katakpur Pvt Ltd.

Particulars	40% Capacity	60% Capacity
Direct Materials	80,000	1,20,000
Direct Labour	32,000	48,000
Direct Expenses	12,000	18,000
Overheads	18,000	22,000
Repairs & Maintenance	9,000	11,000
Depreciation	7,000	7,000
Rent	3,000	3,000
Sales	2,00,000	3,00,000

Prepare Flexible Budget for 50% , 80% and 100 % Production Capacity.

(P.T.O.)