Program:	F.Y.B.Com (FM) - CFP	**Semester:**	I	**Program Code:**	UGMS02
Course:	Management Accounting – I			**Course Code:**	NUFM105
Duration:	1 Hour	**Examination Pattern:**	NEP - Autonomous	**Max. Marks:**	30

Instructions:

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Draw neat diagrams wherever necessary.
4. CO (Course Outcome), KL (Knowledge Level).

Examination:

REGULAR

Q. 1		**State whether the following statements are true or false.**		[10]	CO's	KL's
		I	A budget is prepared prior to a defined period.		CO1	KL1
		II	Cash budgeting is useful for identifying possible cash shortage and surpluses.		CO2	
		III	Budgeting should be made in such manner that it does not complement Strategic goal.		CO3	
		IV	Variable cost is also called as period cost.			
		V	Cost consideration is not required while preparing a budget.			
		VI	Fixed budget and Flexible budget are one and the same.			
		VII	An operating budget mainly deals with expected revenue and expenses.			
		VIII	Strategic planning does not define long term blue print for company's vision.			
		IX	Risk appraisal helps in identifying and assessing financial risk.			
		X	Master budget is the consolidated summary of various functional budget.			
		Attempt any TWO of the following.			CO's	KL's
Q. 2		Explain the Relationship between Strategic planning and budgeting also along with its differences and conclusion		[10]	CO1	KL2
Q. 3		The expenses budgeted for the production of 10,000 units in a factory are provided		[10]	CO2	KL3

Particulars	Rs. (in units)
Materials	70
Labour	25
Variable overheads	20
Fixed overheads	10
Selling expenses (10% Fixed)	13
Distribution expense (20% Fixed)	7
Fixed administration expenses	5
Variable expenses	5

Prepare a budget for the production of 10,000 units, 8,000 units and 6,000 units

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Q.4		AB & co have given you the following details pertaining to budgeted and actual	[10]	CO3	KL4

Particulars	Budgeted Rs.	Actual Rs.
Sales Revenue	8,00,000	9,00,000
Material cost	2,50,000	2,70,000
Labour cost	1,50,000	1,40,000
Selling expenses	80,000	90,000
Administration expenses	70,000	65,000

Required:

i. Calculate the variance for each item.
ii. Identify each variance as Favorable and Unfavorable
iii. Calculate the budgeted profit and actual profit
iv. Calculate overall profit variance

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