

Table of Contents

Chapter **1** Conceptual Foundation

Meaning and Purpose of Profit Planning and Control.....	1
Essentials of Profit Planning.....	2
Application of Time Factor in Comprehensive Profit Planning.....	3
Advantages and Disadvantages (Limitations) of Profit Planning and Control.....	3
Profit Planning and Control and Process	4
Some Behavioral Implications of a PPC Program	5
Application of Profit Planning and Control in Non-Manufacturing Enterprises	6
Problems in Developing Profit Planning and Control.....	8
Theoretical Questions.....	8

Chapter **2** Planning and Control of Sales

Meaning and Purpose of Sales Planning.....	9
Factors Consideration in Sales Planning	9
Sales Budgeting Vs. Sales Forecasting	10
Long Range and Short Range Sales Plan	10
Development of Comprehensive Sales Plan.....	11
Components of Comprehensive Sales Plan	11
Control of Sales and Selling Expenses	11
Methods of Sales Forecasting	12
Theoretical Questions.....	47
Practical Problems	47

Chapter **3** Production Planning and Control of Manufacturing Concern

Meaning of Production Planning.....	53
Area of Production Planning.....	53
Responsibility for Production Planning.....	54
Factors Consideration in Production Planning.....	54
Production Budget	55
Production Policies	55
Computation of Inventory.....	57

	Production Control.....	59
	Theoretical Questions.....	98
	Practical Problems	99
Chapter 4	Planning and Control of Materials Purchase & Usage	
	Meaning and Purposes	105
	Raw Materials and Parts Budget.....	105
	Material Control	107
	Essentials of Material Control	107
	Material Inventory Policy.....	108
	Performance Report	139
	Theoretical Questions.....	148
	Practical Problems	148
Chapter 5	Planning and Control of Non-Manufacturing Organization	
	Meaning	155
	Merchandise Budget.....	155
	Factors Consideration.....	156
	Planning Inventory Levels and Purchasing of Non Manufacturing Organization.....	156
	Mark-ups and Cost Multipliers Used in Retail Companies	157
	Open-to-Buy Planning.....	158
	Theoretical Questions.....	176
	Practical Problems	176
Chapter 6	Planning and Control of Direct Labour	
	Meaning and Objectives	179
	Process of Direct Labour Planning.....	180
	Sources of Standard Labour Hour	181
	Control of Direct Labour Cost.....	181
	Performance Report	181
	Theoretical Questions.....	213
	Practical Problems	214
Chapter 7	Planning and Controlling Overhead Cost	
	Meaning	219

Some Relevant Distinctions.....	219
Cost Behaviours.....	219
Controllable and Non-controllable Expenses.....	220
Cost Reduction and Cost Control	221
Planning Expenses.....	221
Planning and Controlling of Manufacturing or Factory Overhead..	221
Planning Distribution (Selling) Expenses	224
Planning Administrative Expenses	224
Theoretical Questions.....	255
Practical Problems	256

Chapter **8** Planning and Control of Cash

Concept	261
Cash Planning	261
Objectives of Cash Planning.....	262
Approaches to Develop Cash Budgeting/Planning.....	262
Techniques and Methods for Improving Cash Position.....	262
Control of Cash Positions.....	263
Review Questions	289
Practical Problems	289

Chapter **9** Completion of Profit Plan

Concept	293
Planned Cost of Goods Manufactured.....	293
Planned Cost of Goods Sold	293
Planned Cash Collection and Disbursement.....	294
Planned Income Statement.....	295
Planned Balance Sheet.....	297
Theoretical Questions.....	332
Practical Problems	332

Chapter **10** Zero base Budgeting and Activity based Budgeting

Zero Base Budgeting (ZBB)	347
Activity Based Budgeting (ABB).....	350
Review Questions	368
Practical Problems	368

Chapter **11** Use of Cost Volume Profit Analysis in Profit Planning

Concept of Cost Volume Profit Analysis.....	373
Break Even Analysis	373
Assumptions of Break Even Analysis.....	377
Special Problems in Cost Volume Profit Analysis.....	378
Economic Characteristic of Break Even Analysis	378
Steps Needed to Rectify Margin of Safety	379
Theoretical Questions.....	415
Practical Problems	416

Chapter **12** Strategic Management Accounting & Profit Planning

What is Strategy?	423
Strategic Management Accounting	424
Analytical Information.....	438
Profitability Analysis	453
Competitor Strategy	458
Theoretical Questions.....	463
Practical Problems	464
Syllabus	467
Model Question	469
Bibliography	474