

## ACMA/BCAF-05

## 2021

(5th Semester)

COMMERCE

( Honours )

Paper No.: BCAF-05

## ( Advanced Cost and Management Accounting )

Full Marks: 70
Pass Marks: 45%

Time: 3 hours

The figures in the margin indicate full marks for the questions

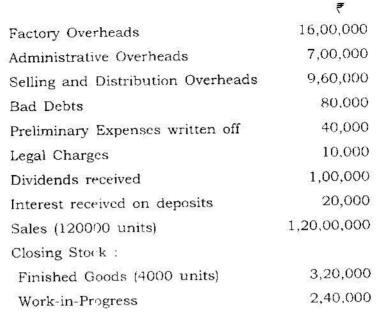
1. (a) Define Management Accounting. How does management accounting differ from financial accounting? 4+10=14

Or

(b) The following figures have been extracted from the financial accounts of a manufacturing firm for the first year of its operations:

Direct Material consumed 50,00,000
Direct Wages 30,00,000

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The cost accounts for the same period reveal that the direct material consumption was ₹56,00,000. Factory overneads are recovered at 20% on prime cost Administrative overheads are recovered at ₹6 per unit of production. Selling and distribution overheads are recovered at ₹8 per unit sold

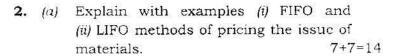
Prepare the Profit and Loss Accounts both as per financial records and as per cost records. Reconcile the profits as per the two records.

4+4+6=14

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(Continued)





Or

(b) The following particulars are related to a manufacturing company which has three production departments—P, Q and R and two service departments—X and Y:

Production Departments:

P:₹2,000

Q:₹1,500

R:₹1,000

Service Departments:

X:₹500

Y: ₹400

The service department expenses are charged on a percentage basis as follows

	Production Departments			Ser	Service	
				Departments		
Service Depts.	P	Q	R	X	Y	
X	20%	30%	40%		10%.	
1	30%	30%	20%	20%	77727	

Prepare a statement showing the distribution of the two service departments expenses to three

/ Turn Over ;

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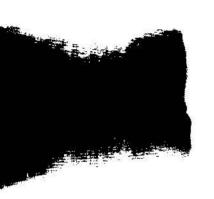
production departments under (i) simultaneous equation method and (ii) repeated distribution method. 7+7=14

3. (a) From the following information, prepare Contract A/c, Contractee A/c and Work-in-Progress A/c: 10+2+2=14

	AND THE PROPERTY OF THE PROPER
	₹
Work certified by architects	1,43.000
Cash received from the	
contractee	1,30,000
Materials sent to site	64,500
Labour engaged on site	54,800
Plant installed at site	11,300
Value of plant at 30th June	
(Closing)	8,200
Cost of work not yet certified	3,400
Establishment charges	3,250
Direct expenditure	2,400
Wages accrued due	1.800
Marerials, closing balances	1,400
Materials returned to store	400
Direct expenses accrued due	200
Contract price	2,00,000

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Or

(b) Product A is obtained after it passes through three distinct processes. You are required to prepare Process Accounts from the following information:

		Process		
7667 - SINGS (AVEST) - SI	Total	X	Y	z
	₹	₹	₹	₹
Material	15,084	5,200	3,960	5,924
Direct Wages	18,000	4,000	6,000	8,000
Production Overheads	18,000			

1000 units @. ?6 per unit were introduced in Process X. Production Overheads to be distributed as 100% on Direct Wages.

	Actual Output	Normal Loss	Value of Scrap per unit
	Unit	%	₹
Proc∈ss X	950	5%	4
Process Y	840	10%	8
Process Z	750	15%	10

**4.** (a) What do you mean by Standard Costing? Discuss the advantages and disadvantages of standard costing.

4+5+5=14

14

22L/151 (Turn Over)



Or

- (b) From the following data, calculate—
  - (i) P/V ratio;
  - /ii) profit when sales are ₹20,000;
  - (iii) new break-even point if selling price is reduced by 20%:

Fixed expenses—₹4,000 Break-even point—₹10,000

4+5-5=14

5. (a) What is meant by zero-base budgeting?

How does it differ from traditional budgeting? Discuss its advantages and disadvantages.

2+6+6=14

Or

(b) Prepare a flexible budget from the following information at 50%, 60% and 10% capacity:

At 60% capacity

₹

Variable Overheads :

Indirect material 3,000

Indirect labour 9 000

Semi-variable Overheads:

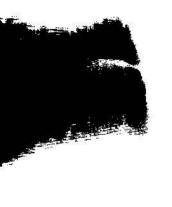
Electricity (40% fixed

60% variable) 15,000

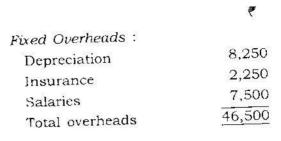
Repairs (80% fixed 20%

variable) 1.500

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