

**2019**

**M. Com.**

**4<sup>th</sup> Semester Examination**

**Advance Cost Accounting**

**PAPER – COM – 405**

*Full Marks : 50*

*Time : 2 Hours*

**Use separate sheet for each Unit**

*Candidates are required to give their answers in their own words as far as practicable.*

**UNIT – I**

**1. Answer any two questions of the following: 5 X 2**

- a) From the following figures ascertained from costing records and financial book of a company. You are required to pass the necessary entries in the cost book under integrated system of book keeping :  
Purchase stores ` 400000, carriage inward ` 5000, store issued ` 350000, wages ` 300000, unproductive wages ` 100000, production overhead ` 345000, material used in factory repairs ` 3000.
- b) Write the marginal cost equation and explain its significance also distinguish between marginal costing and absorption costing. 1+2+2
- c) Described the concept of economical batch with the help of any formula.
- d) Define normal and abnormal process losses and explain the possible causes of the same.

*(Turn over)*

2. Answer any one questions of the following: 10 X 1

a) The following data are available in respect of Process-I during the month of April, 2019

Introduce 4200 units valued ` 1560, Direct material added ` 770, Direct labour ` 386, Production overhead ` 768.

Transferred to Process 2: 3650 units, stock at 01.04.19 600 units valued at ` 390. Degree of completion Material- 60%, Labour 50%, overhead 40%. Stock at 30.04.19 800 units Degree of completion Material- 80%, Labour 70%, overhead 60%. Units scrapped : 350 units Degree of completion Material- 100%, Labour and overhead 80% each, normal loss is 10% of production.

All units scrapped can be sold for ` 10 per unit. You are required to prepare Process – I Account.

b) What do you mean by integral and non-integral system of Accounting? What is a General Ledger Adjustment Account? What items appear on such Account? 4+3+3

UNIT – II

3. Answer any two questions of the following: 5 X 2

a) What is Variance Analysis? State briefly the objectives of Standard Costing.

b) From the following particulars, prepare a production budget of AS Corporation for June 30, 2007:

Product	Sales as per budget (units)	Estimated stock (units)	
		01.07.06	30.06.07
A	150000	14000	15000
B	100000	5000	4500
C	70000	8000	8000

c) Define Budget and Budgetary Control and state the objectives of Budgetary Control System.

d) Distinguish between Traditional Costing and ABC, Current Standard and Basic Standard.

Continued ..

4. Answer any one questions of the following: 10 X 1

a) Write Short notes on -

(i) ZBB.

(ii) Target Costing.

5+5

b) The following data has been collected from the cost records of a unit for computing the various fixed overhead variances for a period –

Particulars	Budget	Actual
No of working days	25	27
Man hour / day	6000	6300
Output / man hour	1	0.9
Fixed overhead (₹)	150000	156000

Calculate the fixed overhead variances.

(Internal Assessment :10 marks)