3 TDC (Special) MGMNT ACC (S)

2016

(July)

MANAGEMENT ACCOUNTING

(Speciality)

Full Marks: 70

Pass Marks: 28

Time: Three hours

The figures in the margin indicate full marks for the questions.

(a) "Management Accounting is the presentation of accounting information in such a way as to assist management in the creation of policy and in the day-to-day operation of the undertaking." Elucidate this statement.

Or

(b) Describe the role of Management Accounting in modern business world. How does it differ from Cost Accounting? 7+7=14

(iii) New break-even point if sells price is reduced by 20% (iii) How-many units must be sold earn a net income of 10% on salt Selling Price (per unit) Variable Cost (per unit) Fixed Cost 2,40,000 2+3+3 (b) An automobile manufacturing compers finds that while the cost of making own workshop Part No. 0024 is Rs 60 each, the same is available in mark at Rs 5.60 with an assurance continuous supply. Write a report to the Managing Direct giving your views whether to make buy this part. Give also your views follows: (iii) How-many units must be sold with an assurance guiding decident follows: (a) XYZ Ltd. have the production only commod for the costing only commod for the cost o				•	•		
in amount of sales in rupees (ii) New break-even point if selly price is reduced by 20% (iii) How many units must be sold earn a net income of 10% on sale earn a n	(0	<i>i)</i> F	ron	n the following data,	calculate:		Materials
price is reduced by 20% (iii) How many units must be sold earn a net income of 10% on salt Rs Selling Price (per unit) 20 Variable Cost (per unit) 12 Fixed Cost 2,40,000 (b) An automobile manufacturing competing finds that while the cost of making own workshop Part No. 0024 is Rs of each, the same is available in mark at Rs 5.60 with an assurance continuous supply. Write a report to the Managing Direct giving your views whether to make buy this part. Give also your views follows: RMarginal computing guiding decident for the same is available in mark at Rs 5.60 with an assurance continuous supply. Write a report to the Managing Direct expension your views whether to make buy this part. Give also your views sold in the second of the cost of the c		(i	·)	Break-even point in amount of sales	expression rupees	. (Other variable
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Selling Price (per unit) 20 Variable Cost (per unit) 12 Fixed Cost 2,40,000 2+3+3/3. (a) XYZ Ltd. have the production only commod finds that while the cost of making own workshop Part No. 0024 is Rs for each, the same is available in mark at Rs 5.60 with an assurance continuous supply. Write a report to the Managing Directly giving your views whether to make buy this part. Give also your views whether to make case the suppliers reduce the price follows: Selling overly a guiding dectric explain the self-continuous and the supplier only commod for the costinuous for the costinuous price only commod for the costinuous only commod for the costinuous price on the pr		(iii)	How many units my	ust be sold		o
(b) An automobile manufacturing competinds that while the cost of making own workshop Part No. 0024 is Rs 6 each, the same is available in mark at Rs 5.60 with an assurance continuous supply. Write a report to the Managing Direct giving your views whether to make buy this part. Give also your views follows: (a) XYZ Ltd. have the production only commod for the costing only commod for the cost in the cost of the co			var	table Cost (per unit)	20		"Marginal cost guiding decis Explain the sta
write a report to the Managing Direct giving your views whether to make buy this part. Give also your views (60% fixed) 5.60 to Rs 4.60. The cost data is follows: Works over Works over (60% fixed) Administrati (80% fixed) Selling over (50% fixed)		(b)	An automobile manufactor finds that while the cost own workshop Part No. 0 each, the same is available at Rs 5:60 min	2+3+3 uring compai of making 024 is Rs 6		Administrativ (80% fixed) Selling overh (50% fixed)	
3 TDC (Special) MGMNT ACC (S)/D			giv bu cas	ite a report to the Maring your views whethy this part. Give also se the suppliers reduced			
3 TDC (Special) MGMNT ACC (S)/D 2	3 TD(C (Specia	ú) MG	MNT ACC (S)/D 2		TDC (Specia	I) MGMNT ACC (S)/D

Rs. 2.00 Materials 2.50 Direct labour 0.50 Other variable cost Depreciation and other 1.00 fixed cost 6.00 Or "Marginal costs are primarily used in guiding decisions yet to be made."

Explain the statement giving examples. XYZ Ltd. have prepared the budget for the production of 60000 units of the only commodity manufactured by them

for the costing period as under: Rs (in lakh) 2.52 Raw material 0.75Direct labour 0.10 Direct expenses 2.25 Works overhead (60% fixed) Administrative overhead 0.40 (80% fixed) 0.20 Selling overhead (50% fixed)

Contd.

The actual production during the was only 40000 units. Calculate revised budgeted cost per unit. Or

What do you mean by Cash Bud What are its advantages? How 5. prepared? 3+5+6

The following information was obtained bliabilities the record of a manufacturing unit standard costing system:

Actual overhead—Rs 1,800 Budgeted overhead—Rs 2,000 Budgeted period—4000 labour hours

Standard per unit—10 labour hours Budgeted number of days-20 Standard overhead per hour—Re 0.50

Actual number of days-22 Actual hours-4300 Actual production—425 units Calculate-

expenditure variance; (a) calender variance; (b)

capacity variance; (c)

efficiency variance; (d) (e)

volume variance.

Or

What do you understand by the term 'Variance' and 'Variance Analysis'? Explain the importance of Variance Analysis. 2+4+8=14

Following are the summarised Balance Sheets of AMCO as on 31st December, 2008

and 2009: 2009 2008 2009 Assets 2008 Rs.

Rs. Rs. Rs. 2,00,000 2,50,000 Land & 1,90,000 2,00,000 Share Capital 60,000 Building 50,000 General Reserve 1,50,000 1,69,000 30,600 Machinery Profit & Loss A/c 30,500 74,000 1.00,000 Stock 64,200 80,000 Bank Loan _ Debtors 70,000 600 (long-term) 500 Cash 8,000

1,50,000 1,35,200 Bank Sundry 5,000 creditors Goodwill Provision for 35,000 30,000 5,30,500 5,10,800 taxation 5,30,500 5,10,800 Additional Information:

Dividend of Rs 23,000 was paid (i) (ii)

Assets of another company were purchased for a consideration of Rs 50,000 payable in shares The following assets were purchased:

Stock-Rs 20,000 Machinery-Rs 25,000

2+3+3+3+3 Contd. 3 TDC (Special) MGMNT ACC (S)/D 5

³ TDC (Special) MGMNT ACC (S)/D

- (iii) Machinery was further purchase Rs 8,000 (iv)
- Depreciation written off on machi Rs 12,000 (v) Income Tax provided during the
- Rs 33,000 Loss on sale of machine Rs 200 written off to General Reserve Prepare a Cash Flow Statement

the above.

Or

What is the purpose of prepari Cash Flow Statement? How prepared? 4+10

³ TDC (Special) MGMNT ACC (S)/D