

M.Com. Final Accounts Group

PAPER-IV ADVANCE COST ACCOUNTING

UNIT - I Concept of Cost Accounting and Financial Accounting, Cost Accounting and Management and Management Accounting, Limitation of Cost Accounting. Treatment of Administrative Selling and Distribution overheads and research and development Cost. Operating Cost :- Transport Costing, Power House Costing, Canteen costing, Hotel Costing, Process Costing - Equivalent Product. Inter Process transfer, Joint Product by-product.

UNIT - II Uniform costing and Inter-firm comparison, treatment of special expenses in cost accounts such as research and development expenses, preliminary expenses cost of obsolescence etc. Tolls Patterns and designs. Integral accounting, Cost ledger or cost control accounts, Reconciliation of Cost and Financial Accounting, Integrated and integral accounting.

UNIT - III **Marginal Costing** : Concept, Marginal Costing Vs. Absorption costing, Cost Volume Profit relationship. Break-even Point Analysis, Assumptions underlying Break-even Analysis, Contribution and Marginal Break-even Analysis, Cash Break-even Point Margin of safety, Limiting or key factor, Angle Analysis, Break-even chart, Construction of Profit- Volume Chart, Uses of Break-even Analysis, Limitation of Break-even Analysis.

Management Decision Making : Special Costs for Management Decision Making, Decision Making and Marginal Costing, Differential Cost Analysis Differential Cost Analysis Vs. Marginal Costing.

UNIT - IV **Budget and Budgetary Control** : Meaning, Objectives, Steps of Budgeting, Kinds of Budgeting : According to functions and flexibility. Advantages and limitation of Budgetary Control, essential of Effective Budgeting, Preliminaries in the installation of Budget System, Budget Report, Zero-base Budgeting, Performance Budgeting, Responsibility Accounting, Revision of Budget.

UNIT - V **Standard Costing and Variance Analysis** : Meaning of Standard Cost and Standard Costing, Steps involved in Standard Costing, Standard Costs and Estimated Costs, Advantages and Limitation of Standard Costing, Preliminaries for establishing system of standard costing, Determination of Cost Centre, Types of Standards, Setting of Standards, Analysis of variance, Direct Material, labour variance, overhead variances, sales variance.