Müəllimin adı: Ziya Mürsəlzadə

Fənnin adı: Management Accounting

Qrupun nömrəsi: 1042

1. Which kind of qualities does good information has? Discuss whether it is worth paying for the perfect information.
2. Discuss the different types of the information.
3. Discuss the steps of decision making.
4. Discuss the Antony’s view of management activity.
5. Discuss the differences between financial accounting and management accounting
6. Discuss the main types and sources of data.
7. Discuss the main types of biases in sampling process.
8. Discuss the different methods of sampling.
9. Discuss the different types of direct and indirect costs.
10. Critically discuss the logic behind economies of scale. Explain the importance of fixed and variables cost in production process.
11. Discuss the cost behaviour patterns of fixed, step and variable costs. Draw the graphs of each type of cost pattern and explain the logic behind.
12. Explain the concept of semi-variable costs. Determine the variable and fixed costs of each quarter and the total cost for the first quarter of the next year in which production size is expected to increase 10% in comparison with analogical period of the previous year.

|  |  |  |
| --- | --- | --- |
| **Quarter** | **Units Produced** | **Mixed Cost ($)** |
| I quarter | 00,000 | 00,000 |
| II quarter | 00,000 | 00,000 |
| III quarter | 00,000 | 00,000 |
| IV quarter | 00,000 | 00,000 |

1. Discuss the linear equations and graphs. Define intercept and slope.
2. Discuss the different types and general principles of reports.
3. Discuss the presentation of information in charts. Define the advantages and disadvantages of each chart type.
4. Critically discuss the different types of (inventory count) stocktake.
5. Discuss the different inventory control levels and economic order quantity concept (EOQ) and solve the following related problem.

|  |  |
| --- | --- |
| Average usage | 000 units per week |
| Minimum usage | 000 units per week |
| Maximum usage | 000 units per week |
| Lead time (the time between ordering and replenishment of goods) | 0-0 weeks |
| Ordering cost per order | $000 |
| Annual cost of carrying a unit in stock | $00 |

1. Discuss the different types of inventory costs.
2. Discuss the different types of inventory valuation techniques and calculate the closing inventory for the end of the given period by using FIFO, LIFO and AVCO methods.

|  |  |  |  |
| --- | --- | --- | --- |
| Date | Units bought | Purchase price per unit | Units sold |
| 01/04/2017 | 000 | $00 |  |
| 01/05/2017 |  |  | 00 |
| 01/06/2017 |  |  | 000 |
| 01/07/2017 | 000 | $00 |  |
| 01/08/2017 |  |  | 000 |

Take into account that the firm has 000 units of inventory to the end of the March 2017.The purchase price of these units is $0.00.

1. Solve the following problem to find the economic batch quantity (EBQ).

A company manufactures a component for one of its products. It uses 0000 of these components evenly throughout the year. Each component costs $00 to manufacture. In addition, there is a cost of $000 to set-up the machines each time a batch of the components is manufactured. The holding cost per unit $0. The company can produce the components at the rate of 0000 per month. What is the EBQ that should be manufactured each time?

1. Discuss the different types of remuneration methods.
2. Discuss the attendance time, job time and idle time and their usage in labour management.
3. Discuss the reasons for labour turnover and solve the following problem to find the labour turnover rate.

A company had 00 workers at the beginning of a period. During the period, 0 workers left the company for various reasons and 0 new workers were employed. What is the labour turnover rate for the period?

1. Critically discuss the production and productivity methods of measuring labour activity.
2. According to given information calculate the wages paid to direct labour by the firm.

Gross wages incurred in September 2017 were $0. The wages analysis shows the following summary breakdown of the gross pay. Overtime was worked to catch up on a backlog after several employees were off sick.

|  |  |  |
| --- | --- | --- |
|  | **Paid to direct labour ($)** | **Paid to indirect labour ($)** |
| Ordinary time | 0 | 0 |
| Overtime: Basic pay | 0 | 0 |
|  Premium | 0 | 0 |
| Shift allowance | 0 | 0 |
| Sick pay | 0 | 0 |
| **Total** | **0** | **0** |

1. Discuss the practical reasons for using absorption costing.
2. Discuss the absorption costing stages
3. Discuss the ways to reapportion department costs.
4. Discuss the difference between blanket and departmental absorption rates and explain the reasons for over and under absorption of overheads.
5. A company has the following actual and budgeted data for a year.

 Budget Actual

Production 0,000 units 0,000 units

Variable production overhead per unit $0 $0

Fixed production overheads $000,000 $000,000

Sales 0,000 units 00,000 units

Overheads are absorbed using a rate per unit, based on budgeted output and expenditure.

What was the fixed production overhead absorbed amount during a year?

1. Discuss the principles of marginal costing
2. Discuss the difference between absorption and marginal costing
3. Discuss the reconciling costs in marginal costing
4. The following data is available for the period.

Opening inventory 0,000 units

Closing inventory 0,00 units

Absorption costing profit $0,000

What would be the profit for the period using marginal costing?

1. A company produces and sells a single product whose variable cost is $00 per unit.

Fixed costs have been absorbed over the normal level of activity of 0,000 units and have been

calculated as $3.50 per unit. The current selling price is $0 per unit.

How much profit is made under marginal costing if the company sells 00,000 units?

1. Discuss procedure for the performance of jobs in job costing and importance of job cost sheets/cards.
2. Discuss the job cost information in job costing and explain rectification costs.
3. Discuss different methods of job pricing and explain the features of job costing computerization.
4. Discuss the advantages of internally applied job costing system.
5. Discuss the main differences between service costing and product costing (job costing) and the specific characteristics of services.
6. Bayern-Bauwerk is thinking of buying, at a cost of €00 000, some new packaging equipment that is expected to save €0 000 in cash-operating costs per year. Its estimated useful life is 00 years, and it will have zero terminal disposal value. The required rate of return is 00%.

Required

1. Calculate the payback and discounted payback period.

2. Calculate the net present value.

1. Discuss the advantages and pitfalls of NPV and IRR methods.
2. Discuss the main advantages of MIRR method over IRR method.
3. Bayern-Bauwerk is thinking of buying, at a cost of €000 000, some new packaging equipment that is expected to save €00 000 in cash-operating costs per year. Its estimated useful life is 0 years, and it will have zero terminal disposal value. The required rate of return is 0%.

Calculate the internal rate of return and the accounting rate of return based on given information. Assume straight line depreciation.

1. Company LLC. is considering two projects. The cost of capital is 0%, and the expected reinvestment rate is 0%. Detailed information about expected cash flows is presented in the table below.

|  |  |  |
| --- | --- | --- |
| ‘000 USD | Initial cost | Cash flows at the end of relevant year |
| Year no. | 0 | 1 | 2 | 3 | 4 | 5 | 6 |
| Project A | -00000 | 0000 | 0000 | -0000 | 0000 | 0000 | -000 |
| Project B | -0000 | 0000 | 0000 | 0000 | -0000 | 000 | 0000 |

Calculate MIRR for both projects.

1. Explain the basics and features of process costing.
2. Discuss losses with scrap and disposal value in process costing
3. Discuss the problems in accounting of joint products and dealing with the common costs.
4. Discuss the accounting for by-products.
5. A company uses process costing to value its output. The following was recorded for the period:

Input materials 0 units at $0 per unit

Conversion costs 0

Normal loss 0% of input valued at $0 per unit

Actual loss 0 units

There were no opening or closing inventories.

What was the valuation of one unit of output to one decimal place?

1. Discuss the different types of indices.
2. Discuss difficulties and problems of forecasting.
3. Discuss the sales forecasting by using the product life cycle
4. A company uses regression analysis to establish a total cost equation for budgeting purposes.

Data for the past four months is as follows:

Month Total cost Quantity produced

$'000 $'000

1 0 0

2 0 0

3 0 0

4 0 0

**0 0**

The gradient of the regression line is 0. Calculate the value of a from the regression analysis.

1. If X = 0, Y = 0, X2 = 0, Y2 = 0, XY = 0 and n = 0, which of the

following values for a and b are correct in the formula Y = a + bX?

1. Discuss the objectives of a budgetary planning and control systems.
2. Discuss the controllable and uncontrollable costs in budgetary planning.
3. Discuss the different types of budgets.
4. Discuss the budgetary control practice.
5. Discuss the features and functions of spreadsheets.
6. Discuss the functions of budget committee
7. Discuss the steps in budget preparation process.
8. Discuss the different types of functional budgets and their importance.
9. Discuss the preparation and the usefulness of cash budgets
10. The following information is available for ABC Co.

May Jun

$ $

Budgeted sales 0,000 0,000

Gross profit as a percentage of sales 0% 0%

Closing trade payables as a percentage of cost of sales 0% 0%

Opening inventory Nil Nil

Closing inventory Nil Nil

How much money should be budgeted for supplier payments in June?

1. Budgeted sales of X for December are 0,000 units. At the end of the production process for X, 0% of production units are scrapped as defective. Opening inventories of X for December are budgeted to be 00,000 units and closing inventories will be 0,000 units. All inventories of finished goods must have successfully passed the quality control check. What is the production budget for X for December?
2. A company manufactures a single product, M. Budgeted production output of product M during August is 000 units. Each unit of product M requires 0 labour hours for completion and PR Co anticipates 00 per cent idle time. Labour is paid at a rate of $0 per hour. What is the direct labour cost budget for August?
3. Discuss the types of performance standards in standard costing.
4. Discuss direct material prices and direct labour rates in standard costing.
5. A company is in the process of setting standard unit costs for next period. Product J uses two types of material, P and S. 0 kg of material P and 0 kg of material S are needed, at a standard price of $0 per kg and $0 per kg respectively.

Direct labour will cost $0 per hour and each unit of J requires 0 hours of labour.

Production overheads are to be recovered at the rate of $0 per direct labour hour, and general overhead is to be absorbed at a rate of ten per cent of production cost.

What is the standard prime cost for one unit of product J?

1. Discuss direct material cost variances.
2. Discuss variable production overhead variances
3. Discuss fixed production overhead variances
4. A company has budgeted to make and sell 0,000 units of product X during the period.

The standard fixed overhead cost per unit is $0.

During the period covered by the budget, the actual results were as follows.

Production and sales - 0,000 units

Fixed overhead incurred - $0,000

What are the fixed overhead variances for the period?

1. The costs below relate to the month of June.

Fixed budget Flexed budget Actual

0 units 0 units 0 units

Total direct materials $0 $0,000 $0

What was the total direct material variance?