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SARASWAT VIDYALAYA'S
SRIDORA CACULO COLLEGE OF COMMERCE & MANAGEMENT STUDIES
KHORLIM, MAPUSA-GOA.

B.COM SIXTH SEMESTER END EXAMINATION REPEAT NOVEMBER, 2022
w.e.f 2019-20 CBCS

COST ACCOUNTING MAJOR V: ADVANCED COST ACCOUNTING I

DURATION: 2 HOURS

MAX MARKS: 80

INSTRUCTIONS:

- 1) Question No.1 is compulsory.
- 2) Attempt Any Three questions from Question No.2 to Question No.6.
- 3) Each question carries 20 marks.
- 4) Give working notes wherever necessary.

Q.1) The following expenses were incurred for job during the year ended 31st December 2020

Particular	Amount
Direct materials	90,000
Direct wages	75,000
Factory overhead	45,000
Selling and distribution overheads	52,500
Office & Administration overhead	42,000
Profit	60,900

Prepare a Job cost sheet indicating the Prime cost, Works cost, production cost, total cost and sale value.

An estimated price of a job which is to be executed for the year 2021 is as follows:

Direct materials and direct wages will be required of Rs. 1,20,000 and Rs 75,000 respectively for the job. What should be the price for these jobs if factory intends to earn the same rate of profit on cost assuming that the various overheads should be recovered on the following basis:

- a) Factory overheads as a percentage of direct wages b) Administration and selling & distribution overheads as a percentage of factory cost. (20)

Q.2) Coastal carrier Company has a truck of 5 tonnes capacity. The truck carries goods between Rampur and Udaipur covering a distance of 50 Km each way. It makes one round trip each day. On onward trip, the freight is available to the extent of full capacity and on return journey, it is 20% of the capacity. The cost of the truck is Rs.3,78,000 and its life is estimated to be 20 years after which it may fetch a scrap value of Rs.18,000. Annual tax and insurance are estimated to be Rs.19,200 and Rs.28,800 respectively.

The following information is supplied to you for the month of January 2020:

Particulars	Amount
Diesel and Oil (per trip each way)	Rs.60
Drivers Wages	Rs.2000
Repairs	Rs.1875
Conductor's Wages	Rs.1500

The truck was given for repairs for 6 days during the month of January 2020. You are required to ascertain operating cost per tonne kilometer. (20)

Q.3) The net profit of Seybold Company Ltd. appeared at Rs 1,13,304 as per the financial records for the year ending 31st March 2022. The cost books however showed a net profit of Rs 1,72,400 for the same period. A scrutiny of the figures from both the sets of accounts revealed the following facts:

Works overheads under recovered in cost books	3120
Office overheads over recovered in cost books	1700
Interest on investments not included in cost books	8000
Loss due to obsolescence charged in financial books	5700
Depreciation Charged in Financial accounts	11,200
Depreciation charged in Cost accounts	12,500
Income tax provided in financial books	40,300
Interest charged in financial books	4000
Loss on sale of furniture	11,200
Bank interest received entered in financial books	1224

Value of opening stock in cost books	49,600
Value of opening stock in financial books	52,600
Value of closing stock in cost books	50,000
Value of closing stock in financial books	46,000

Prepare statement showing the reconciliation between the net profits as per cost accounts and financial accounts. (20)

Q.4)(A) A transport company is running a fleet of six buses between two towns 75 km apart .

Seating capacity of each bus is 40 passengers. The following particulars are available for the month of June.

Wages of Drivers , conductors and cleaners	3600
salaries of office and supervisory staff	1500
Diesel and other oils	10,320
repairs and Maintainance	1200
Taxation, insurance etc.	2400
Depreciation	3900
Interest on capital	3000

Actual passengers carried were 80 percent of the seating capacity .All the buses ran on all days of the month. Each bus made one round trip per day. Find out the cost per passenger kilometer. (10)

(B) The annual demand of a product is 24,000 units. It is produced in batches and the largest size of a single is 6,000 units. After each batch is complete, the set up cost is Rs 750. The annual carrying cost is Rs 225 per unit.

Assume average inventory as one half of the number of units made in each batch. Selecting 4, 6, 8, 12 and 24 batches per annum, determine the Economic Batch Quantity using formula method and justify you answer using tabular method. (10)

Q.5) (A) Explain in details Procedure of Job Costing.

(10)

(B) Explain reasons for disagreement between profits of financial books with cost books. (10)

Q.6) Write short notes on **ANY FOUR** of the following

(4x5=20)

- 1) Economic Batch Quantity
- 2) Nature of Batch Costing
- 3) Need for Reconciliation
- 4) Purpose Job Order Costing
- 5) Features of Operating Costing