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Goa Vidyaprasarak Mandal's
GOPAL GOVIND POY RAITURCAR COLLEGE OF
COMMERCE AND ECONOMICS PONDA – GOA
B.COM. CBCS (SEMESTER VI) EXAMINATION, JUNE 2022
COST AND MANAGEMENT ACCOUNTING
ADVANCED COST ACCOUNTING – I (DSE 5)

Duration: 2 Hours

Marks: 80

NOTE: 1) *QUESTION NO. 1 IS COMPULSORY*
 2) *ANSWER ANY THREE QUESTIONS FROM THE REMAINING*
 3) *FIGURES TO THE RIGHT INDICATE MAXIMUM MARKS*

Q.1) A factory uses job costing. The following cost data is obtained from its books for the year ended 31st March, 2022. **(20 Marks)**

	<u>Amount</u>
Direct Materials	₹ 90,000
Direct wages	₹ 75,000
Profit	₹ 60,900
Selling and Distribution overheads	₹ 52,500
Administration overheads	₹ 42,000
Factory overheads	₹ 45,000

- a) Prepare job cost sheet indicating Prime cost, Works cost, cost of Production, cost of Sales and Sales value.
- b) For the year ended 31/03/2023, the factory received an order for a number of jobs. It is estimated that direct materials required would be ₹1,20,000 and direct labour cost will be ₹1,00,00. What should be the price for these jobs if the factory intends to earn the same rate of profit on sales assuming that Selling and Distribution overheads have gone up by 15%. The factory recovers factory overheads as a percentage of direct wages and administration and Selling and Distribution overheads as a percentage of works cost, based on cost rates prevailing in the previous year.

Q.2) Prepare operating cost sheet for the year ended 31/03/2022 and ascertain the cost of running the truck per/km. and also the cost of running the truck per.ton/km. from the following particulars. **(20 Marks)**

	AMOUNT
Cost of Truck	3,00,000
Estimated scrap value	25,000
Life of truck in years	10 years
Capacity of truck in tons	12 tons
Average distance covered on Outward journey	200 Kms.
Average distance covered on Inward journey	200 Kms.
Working days in a month	25 days
Freight: Full capacity on outwards journey and 75% on return journey	
Truck insurance per anum	5%

Repairs and Maintenance per anum	55,000
Garage Rent per anum	36,000
Vehicle Taxes per anum	30,000
Interest on cost of vehicle	10%
Drivers wages per month	7,500
Cleaners wages per month	5,000
Salary of Part-time Manager per month	5,000
Kilometres run per litre of Diesel	12 Kms.
Cost of Diesel per litre in Rupees	80/-
Oil and lubricants ₹10/- for every 100 Kms.	

Q.3) The net profit of Ashoka Cement Ltd. appeared at ₹41,800/- as per financial records for the year ended 31st March 2022. The cost accounts, however showed a net profit of ₹1,11,900 for the same period. A scrutiny of the figures from both the set of accounts revealed the following facts.

(20 Marks)

	AMOUNT
Works overheads under charged in cost Accounts	₹ 1,500
Adm overheads over charged in cost Accounts	₹ 850
Depreciation charged in financial Accounts	₹ 5,600
Depreciation charged in cost Accounts	₹ 6,250
Interest on investments not included in Cost A/c	₹ 3,000
Lost due to obsolescence charged in Financial Accounts	₹ 2,850
Income tax debited in Financial Accounts	₹ 20,150
Bank interest credited in Financial Accounts	₹ 370
Stores Adjustment (credit)in Financial books	₹ 230
Value of opening stock: Cost Accounts	₹ 24,800
: Financial Accounts	₹ 26,300
Value of closing stock: Cost Accounts	₹ 25,000
: Financial Accounts	₹ 23,000
Interest charged in cost Accounts	₹ 2,000
Rent charged in cost Accounts	₹ 1,000
Goodwill written off in Financial Accounts	₹ 5,000
Loss on sale of furniture	₹ 600
Selling expenses charge in Financial Accounts	₹ 10,000
Donation to P.M Relief Fund charged in Financial Accounts	₹ 5,100
Transfer to Reserves in Financial Accounts	₹ 9,000
Transfer to Divided Equity Fund in Financial Accounts	₹ 20,500

You are required to prepare

- 1) Memorandum Reconciliation Account
- 2) Statement showing reconciliation of net profits as per cost accounts and net profit as shown in Financial Accounts.

