

Goa Vidyaprasarak Mandal's  
GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE AND  
ECONOMICS, PONDA-GOA  
B.COM. (SEMESTER – VI) Repeat EXAMINATION, April/May 2023  
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 31<sup>st</sup> March, 2023. **(20 Marks)**

<u>Amount</u>	
Direct Materials	₹ 1,20,000
Direct wages	₹ 1,00,000
Profit	₹ 94,125
Selling overheads	₹ 62,500
Administration overheads	₹ 40,000
Factory overheads	₹ 54,000

- a) Prepare job cost sheet indicating Prime cost, Works cost, cost of Production, cost of Sales and Sales value.
- b) The factory received an order for a number of jobs. It is estimated that direct materials required would be ₹2,20,000 and direct labour cost will be ₹1,80,00. 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 10%. 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.

Q2. Mr. Raju owns a bus which runs according to the following schedule: **(20 Marks)**

1. Goa to Belgaum and back the same day

Distance Covered : 110 kms one way

Number of days run each month : 8 days

Seating capacity occupied : 90 %

2. Goa to Pune and back the same day

Distance Covered : 270 kms one way

Number of days run each month : 6 days

Seating capacity occupied : 100 %

Following are other details

Cost of Bus	₹6,00,000
Salary of driver	₹2,800 p.m.

Salary of Conductor	₹2,200 p.m.
Salary of Accountant	₹200 p.m.
Insurance of the Bus	₹400 p.m.
Road tax	₹125 p.m.
Lubricant oil	₹ 10 per 100 kms
Permit fees	₹315 pm
Repairs and maintenance	₹1000
Depreciation	@ 20% p.a.
Diesel consumption 4kms per litre at ₹ 6 per litre	

Calculate the bus fare to be charged from each passenger to earn a profit of 30% on total takings.

Q.3) The net profit of Baba traders Ltd. appeared at ₹1,11,900 /- as per cost accounts, however net profit as per financial account was found to be different for the same period. A scrutiny of the figures from both the set of accounts revealed the following facts.

(20 Marks)

	<b>AMOUNT</b>
Works overheads under charged in cost Accounts	₹3,000
Adm overheads over charged in cost Accounts	₹1,700
Depreciation charged in financial Accounts	₹11,200
Depreciation charged in cost Accounts	₹12,500
Interest on investments not included in Cost A/c	₹6,000
Lost due to obsolescence charged in Financial Accounts	₹5,700
Income tax debited in Financial Accounts	₹40,300
Bank interest credited in Financial Accounts	₹740
Stores Adjustment (credit)in Financial books	₹460
Value of opening stock: Cost Accounts	₹49,600
: Financial Accounts	₹52,600
Value of closing stock: Cost Accounts	₹50,000
: Financial Accounts	₹46,000
Interest charged in cost Accounts	₹4,000
Rent charged in cost Accounts	₹1,000
Goodwill written off in Financial Accounts	₹10,000
Loss on sale of furniture	₹1,200
Selling expenses charge in Financial Accounts	₹20,000
Donation to P.M Relief Fund charged in Financial Accounts	₹10,200
Transfer to Reserves in Financial Accounts	₹18,000
Transfer to Divided Equity Fund in Financial Accounts	₹41,000

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.

**P.T.O.**

