

Total No. of Printed Pages: 03

Bachelor of Commerce (Semester- VI)**Cost & Management Accounting - Advanced Cost Accounting I****[Time: 2 Hours]****[Max. Marks : 80]****Instructions:** 1) Question number 1 is compulsory

- 2) Answer any three questions from Q. No. 2 to Q. No. 6
- 3) All Questions carry equal marks
- 4) Figures to the right indicate marks

Q1 Finolex Ltd is using job costing. The following data is obtained from the (20 marks)
Company's books for the year ended 31 December 2022.

Direct material	Rs. 90,000
Direct wages	Rs. 75,000
Factory OH	Rs. 45,000
Selling & Distribution OH	Rs. 52,500
Administrative OH	Rs. 42,000
Profit	Rs. 60,900

Prepare a Job Cost Sheet indicating the prime cost, works cost, production cost, cost of sales and sales value.

- B) In 2023, the factory received an order for number of jobs. It is estimated that direct material required will be Rs. 1,20,000 and direct labour will cost Rs. 75,000. What would be the price for these jobs if the factory intends to earn same rate of profit assuming that the selling and distribution have gone up by 15%?

The factory recovers the Factory Overhead as a percentage of direct wages and administration, as well as selling and distribution as a percentage of work cost, based on cost rate prevailing in the previous year.

Q2 Mr. Anant owns a bus which runs between Vasco and Belgaum, a distance of 150 (20 marks)
Kilometers, for 10 days a month. The bus completes the trip from Vasco to Belgaum and back on the same day. The bus goes another 10 days in a month towards Londa. The distance between Vasco and Londa is 120 Kilometers. This trip is also completed in the same day. For the rest of 5 days of its operation in a month, it runs in a local city. The distance covered in the local city is 40 Kilo

meters. Calculate the rate that Mr. Anant should charge to the passengers per Kilo meter. He wants to earn 33 $\frac{1}{3}$ % on his takings. The required information is given below.

Cost of the bus: Rs 6,00,000
 Depreciation: 20% p.a.
 Driver's salary: Rs 4,000 p.m.
 Conductor's salary: Rs 4,000 p.m.
 Salary to part time accountant: Rs 2,500 p.m.
 Insurance: Rs 24,000 p.a.
 Diesel consumption: 4 Kilo meters per litre
 Cost per litre: Rs 20
 Token tax: Rs 6,000 p.m.
 Lubricating oil: Rs 100 per 100 Kilo meters.
 Repairs and maintenance (monthly): Rs 1,800
 Permit fees: Rs 2,000 p.m.
 Normal capacity: 50 persons
 Garage rent: Rs 2,500 p.m.
 Supervision, cleaner's salary: Rs 2,500 p.m.

The bus is generally occupied 90% of the capacity when it goes to Belgaum and 80% when it goes to Londa. It is always full when it runs within the city. Passenger tax is 20% on his net takings.

Q3 From the following particulars of Sonal Traders, prepare:

(20 marks)

- Statement of cost of manufacture for the year 2023 showing the percentage which each individual item of cost bears to the total cost.
- A statement of profit as per Cost A/c and
- Profit and Loss account in the Financial Books and show to what you would attribute the difference in the profit as shown by (b) and (c)

	Rs.
Opening Stock of Raw Materials	60,000
Opening Stock of Finished Articles	1,20,000
Purchase of raw Materials	3,60,000
Stock of Raw Materials at the end	90,000
Stock of Finished Articles at the end	30,000
Wages	1,50,000

Calculate Factory on cost at 25% on prime cost and Office on cost at 75% of Factory on cost. Actual works expenses amounted to Rs. 1,16,250 and actual office expenses amounted to Rs. 91,500. The selling price was fixed at a profit of 20% on the selling price.

- Q4** A) Distinguish between Cost Control and Cost Reduction (10 marks)
 B) Briefly explain any five Techniques of Cost Reduction (10 marks)

- Q5** A) Monginis Bakers bakes 50 units of pastries and muffins at a time. A customer has given order for 600 pastries. To process a batch of 50 pastries, following cost would be incurred: (10 marks)

Direct Material Rs. 500
 Direct Wages Rs. 50
 Oven Cost Rs. 150

The Monginis Bakers absorbs production overheads @ 20% on direct wages cost. 10% is added to the total production cost of each batch to allow for selling, distribution and administration overhead.

Monginis Bakers requires a profit margin of 25% of sales value.

Determine the selling price for 600 pastries.

- B) Explain briefly the Essentials for success of Cost Reduction Programme. (10 marks)

- Q6** Write on any 4 of the following (5 × 4 = 20)

- 1) Economic Batch Quantity
- 2) Any three Features of Cost control
- 3) Need for reconciliation
- 4) Requirements for the preparation of Tender
- 5) Hotel costing