



Shiksha Mandal, Wardha's
G. S. College of Commerce & Economics, Nagpur

An Autonomous Institution

(Affiliated to Rashtrasant Tukadoji Maharaj Nagpur University)

Second Semester Master of Commerce Examination (CBCS)

ADVANCED COST ACCOUNTING

(MCC 2.2)

Time: 3 Hours

Maximum Marks: 80

Note: All Questions are compulsory.

Q.1 A) From the following data of a textile factory machine room, compute an hourly machine hour rate, assuming that the machine room will work on 90% capacity throughout the year and that a breakdown of 10% is reasonable:

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There are 3 days holiday at Diwali, 2 days at Holi & 2 days at Christmas, exclusive of Sundays. The factory works 8 hours a day and 4 hours on Saturday.

Number of machine (all of the same type) 40

Expense per Annum:	Amount
Power	3120
Light	640
Salary to foreman	1200
Lubricating oil	66
Repairs to machines	1446
Depreciation	785.60
	<u>7257.60</u>

OR

B) An Engineering firm has three departments. The budget expenses for the current year are as:

Particular	Dept A Rs.	Dept B Rs.	Dept C Rs.
Materials	100000	100000	79700
Direct wages	136640	87840	79300
Direct Expenses	1760	2280	900
Works Expenses	97600	65880	61100
Administration Expenses	26880	25600	19890
Direct labour hours	78080	57645	48880

Works expenses are charged to output at a man-hour rate and administration expenses as a percentage on works cost.

Compute as an hour rate and percentage of administration overhead on works cost.

Q.2 A) The product of a factory passes through three process of manufacture. The output of each process is transferred to the next process at cost of completion. The stock which consists of raw materials to be valued at cost per unit of the preceding process from the following particulars. Prepare process cost account. Showing the cost of the output & cost per unit at each stage of production.

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Particulars	Process 'A'	Process 'B'	Process 'C'
Direct wages	6400	12000	29250
Machine expense	3600	3000	3600
Factory on cost	2000	2250	2400
Raw Materials consumed	24000	-	-
	Unit	Unit	Unit
Production (Gross)	37000	-	-
Wastage	1000	1500	500
Stock (15 Jul 2009)	-	4000	16500
Stock (31 st Dec 2009)	-	1000	5500

OR

B) A certain product passes through three processes before it is completed. The output of each process is charged to the next process at a price calculated to give a profit of 20% on transfer price. The output of process III is charged to finished stock account on a similar basis. There was no work – in – progress at the beginning of the year and overheads have been ignored. Stocks in each process have been valued at prime cost of the process.

The following data are obtained at the end of the year

Rs.

Particulars	Process I	Process II	Process III	Finish stock
Direct material	60000	40000	80000	-
Direct wages	40000	60000	20000	-
Stock at the end of the year	20000	40000	60000	60000
Sales during the year	-	-	-	340000

From the above information prepare process cost account showing the profit element at each stage.

Q.3 A) Puja Transport runs a mini bus with a capacity of 25 seats. The bus runs between two towns which are 25 kms apart. It runs for 30 days in a month and on an average 80% of seating capacity is utilized. The bus makes two round trips each day.

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Cost of the bus	Rs. 500000
Garage rent P.A.	Rs. 10800
Scrap value (end of 10 year's)	Rs. 20000
Driver's salary per month	Rs. 3000
Conductor's salary per month	Rs. 2500
Manager's salary p.m.	Rs. 2000
Cleaner's salary p.m.	Rs. 1500
Live tax	Rs. 24000
Rent, lighting etc p.m.	Rs. 500
Repair's p.m.	Rs. 1200
Diesel oil etc p.m.	Rs. 12000

The profit expected was 33 1/3% of takings. The driver and the conductor are given 10% of profit as bonus to be divided equally. Prepare statements to show:

- Operating cost per passenger kilometer
- The fare per passenger kilometer

OR

B) The Holiday Hotel has 40 bedrooms with a maximum occupancy of 490 sleepers' night per week. Average occupancy is 60% throughout the year. Meals are provided to guests have been costed and the average food cost per person per day is as follows:

Break fast Rs. 3.60;

Lunch Rs. 11.00; Dinner Rs. 13.40.

Direct wages and staff meals per week are as under:-

Restaurant & kitchen - 3430

House keeping - 1952

General - 1760

Direct expenses per annum are Rs. 45,760 for housekeeping and Rs. 52,000 for the restaurant.

Indirect expenses amount to Rs. 3,41,120 which should be apportioned on the basis of floor area.

The floor areas are

Bed rooms 3600 sq. meters

Restaurants 1200 sq meters

Service area 600 sq meters

A net profit of 10% each must be made on the restaurant takings and accommodation takings.

You are required to calculate what inclusive terms per person should be charged per day. Show the split between meals and accommodation charges.

Q.4 A) The following figures have been taken from the financial account of a manufacturing firm for the first year of its operations:

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Particulars	Amount
Direct material consumption	5,60,000
Direct wages	3,00,000
Factory overhead	1,60,000
Administrative overhead	70,000
Selling and distribution overhead	96,000
Bad debts	8,000
Preliminary expenses written off	4,000
Legal charges	1,000
Dividend received	10,000
Interest received on deposits	2,000
Sales (12000 units)	12,00,000
Closing stock : finished goods (400 units)	32,000
Work in progress	24,000

The cost accounts for the same period reveal that factory overhead is recovered at 20% on prime cost.

Administration overheads are recovered at 7% on factory cost. Selling and distribution overheads are recovered at Rs. 8 per unit sold.

Finished goods are valued at production cost.

Prepare the Profit and Loss Account and cost sheet and also reconcile the Profits as per Financial A/c and Cost A/c.

OR

B) The following information is available from the financial book of Mr. M. P. & Company for the year ended on 31st March 2007.

- 1) Sales Rs. 500000 (25000 units)
- 2) Direct material & Direct wages were Rs. 250000 & 125000.
- 3) Actual Factory Expenses were Rs. 75000.
- 4) Actual Administrative expenses were Rs. 22500.
- 5) Actual selling & distribution exp were Rs. 15000.
- 6) Interest & dividend received Rs. 7500 and Rs. 2500 respectively.
- 7) There was no opening & closing stock.

In the cost books of the company

- 1) Factory on cost charged 22% on material & wages
- 2) Office on cost charged 20% on factory on cost.
- 3) Selling & distribution expenses charged Rs. 0.50 / unit sold.

You are required to prepare

- 1) Trading and Profit & Loss A/c
- 2) Statement of cost
- 3) Reconciliation statement of profit as per Financial Account & Profit as per cost Account.

- Q.5 Answer the following questions in about 75-100 words: (Any Two) 08
- A) Define setup time & setoff time in M.H.R.
 - B) Define composite Machine Hour Rate.
 - C) Give the difference between Running Expenses & Standing charges with example.
- Q.6 Answer the following questions in about 75-100 words: (Any Two) 08
- A) What are the main differences between Job Costing & Process Costing?
 - B) What is abnormal gain? How is this treated in process cost records?
 - C) What do you mean by inter process profit? Discuss its merits and demerits?
- Q.7 Answer the following questions in about 75-100 words: (Any Two) 08
- A) What is operating cost? In which industries is this method of costing applicable?
 - B) What do you understand by composite cost unit?
 - C) Write a note on transport costing.
- Q.8 Answer the following questions in about 75-100 words: (Any Two) 08
- A) Explain the major causes for the difference in profit shown by cost & financial accounts.
 - B) What is the need of reconciling cost & financial accounts?
 - C) List out eight such items which appear in financial accounts but not in cost accounts.
- Q.9 Answer the following questions in about three to four sentences: 08
- A) Write a short note on direct labour cost.
 - B) Define abnormal loss.
 - C) Write any two objects of operating costing.
 - D) What is reconciliation statement of profit?



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मराठी माध्यम

सुचना: १. सर्व प्रश्न अनिवार्य आहेत.

२. प्रश्न क्र. १, २, ३ आणि ४ इंग्रजी माध्यमानुसार.

- प्रश्न ५. खालील प्रश्नांचे उत्तर ७५ - १०० शब्दात लिहा. (कोणतेही दोन) 08
अ) यंत्र घंटा दर मध्ये प्रारंभण वेळ आणि समाप्ती वेळ परिभाषित करा.
ब) एकत्रीत यंत्र घंटा दर परिभाषित करा.
क) चालू खर्च आणि स्थिर खर्च यातील अंतर उदाहरणासोबत लिहा.
- प्रश्न ६. खालील प्रश्नांचे उत्तर ७५ - १०० शब्दात लिहा. (कोणतेही दोन) 08
अ) कार्य परिव्यय आणि प्रक्रिया परिव्यय यातील मुख्य फरक सांगा.
ब) असामान्य लाभ म्हणजे काय? ही संकल्पना प्रक्रिया लेख्यात कशी दर्शविली जाते.
क) आंतर प्रक्रिया नफा म्हणजे काय? त्याचे फायदे तोटे सांगा.
- प्रश्न ७. खालील प्रश्नांचे उत्तर ७५ - १०० शब्दात लिहा. (कोणतेही दोन) 08
अ) परिचालन परिव्यय काय आहे? परिचालन परिव्यय ही पद्धती कोणत्या कोणत्या उद्योगात लागू होते?
ब) संयुक्त परिव्यय घटक यापासून आपणास काय बोध होतो?
क) परिवहन परिव्यय यावर टीप लिहा.
- प्रश्न ८. खालील प्रश्नांचे उत्तर ७५ - १०० शब्दात लिहा. (कोणतेही दोन) 08
अ) परिव्यय लेखा आणि वित्तीय लेख्यातील नफ्यात फरक येण्याची मुख्य कारणे सांगा.
ब) परिव्यय लेखा आणि वित्तीय लेखा यांना समाधान (जुळवणी)करण्याची गरज काय आहे?
क) वित्तीय लेख्यात येणारे परंतु परिव्यय लेख्यात न येणारे आठ पदांची यादी लिहा.
- प्रश्न ९. खालील प्रश्नांचे उत्तर ३ - ४ वाक्यांत लिहा. 08
अ) प्रत्यक्ष श्रम खर्च वर टीप लिहा.
ब) असामान्य हानी परिभाषित करा.
क) परिचालन परिव्ययाचे कोणतेही दोन उद्देश लिहा.
ड) नफा जुळवणी पत्रक म्हणजे काय?

Roll No.:

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GSCN/W-2019/SEM-II/MCC2.2



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हिंदी माध्यम

सुचना: १. सभी प्रश्न हल करना अनिवार्य हैं।

२. प्रश्न क्र. १, २, ३, एवं ४ अंग्रेजी माध्यमानुसार।

- प्रश्न ५. निम्नलिखित प्रश्नों के उत्तर ७५ से १०० शब्दों में लिखिए: (कोई भी दो) 08
- अ) यंत्र घंटा दर में प्रारंभिक एवम समाप्ति समय स्पष्ट किजिए।
ब) संयुक्त यंत्र घंटा दर को समझाईए।
क) चलखर्चों व स्थिरखर्चों का उदाहरण के साथ अंतर बताईए।
- प्रश्न ६. निम्नलिखित प्रश्नों के उत्तर ७५ से १०० शब्दों में लिखिए: (कोई भी दो) 08
- अ) उपकार्य लागत विधि तथा प्रक्रिया लागत विधि में मुख्य अंतर क्या है?
ब) असामान्य बचत क्या है? इसका लेखा प्रक्रिया लागत लेखों में कैसे करते है?
क) अन्तः प्रक्रिया लाभ से आप क्या समझते है? इसके लाभहानि का वर्णन किजिए।
- प्रश्न ७. निम्नलिखित प्रश्नों के उत्तर ७५ से १०० शब्दों में लिखिए: (कोई भी दो) 08
- अ) सेवा (परिचालन) लागत क्या है? लागत निर्धारण की यह विधि किन किन उद्योगों में लागू होती है?
ब) लागत की "संयुक्त इकाई" से आप क्या समझते है?
क) परिवहन लागत विधि पर टिप्पणी लिखिए।
- प्रश्न ८. निम्नलिखित प्रश्नों के उत्तर ७५ से १०० शब्दों में लिखिए: (कोई भी दो) 08
- अ) लागत लेखों तथा वित्तीय लेखों द्वारा लाभ में अन्तर के मुख्य कारणों की विवेचना किजिए।
ब) लागत लेखों तथा वित्तीय लेखों में समाधान करने की आवश्यकता क्यों है?
क) ऐसी आठ पदों की सूची बनाईए जो वित्तीय लेखों में सम्मिलित की जाती है परन्तु लागत लेखों में नहीं।
- प्रश्न ९. निम्नलिखित प्रश्नों के उत्तर तीन से चार पंक्तियों में लिखिए 08
- अ) प्रत्यक्ष श्रम लागत पर संक्षिप्त में लिखिए।
ब) असामान्य हानि को परिभाषित किजिए।
क) परिचालन लागत विधि के किन्ही दो उद्देश्यो को लिखिए।
ड) लाभ समाधान विवरण का अर्थ बताईए।
