

SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN
(AUTONOMOUS)

(Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)
Chromepet, Chennai - 600 044.

B.Com. - END SEMESTER EXAMINATIONS APRIL - 2024
SEMESTER - VI

20UCOCT6018 - Advanced Cost Accounting

Total Duration : 2 Hrs. 30 Mins.

Total Marks : 60

Section B

Answer any **SIX** questions ($6 \times 5 = 30$ Marks)

1. A factory uses job costing. The following data is obtained from its books for the year ended 31st December, 2018:

Particulars	Rs.	Particulars	Rs.
Direct Materials	90,000	Selling and Distribution Overheads	52,500
Direct Wages	75,000	Administration Overheads	42,000
Profit	60,900	Factory Overheads	45,000

Prepare a Job Cost Sheet indicating the Prime Cost, Works Cost, Cost Job Costing of Production, Cost of Sales and Sales Value.

2. A printing company manufactures notebooks of various sizes. The company manufactures 3,000 notebooks each day. Should the company use process costing or job order costing?
3. The following information relating to a contract of X Ltd., for the year 2017.
- Material : Rs.4,00,000
Direct Wages : Rs.2,75,000
Direct Expenses : Rs.1,50,000
Indirect Expenses : Rs.75,000

The Contract Price is Rs.14,00,000. The cash received amounted to Rs.7,00,000 being 60% of work certified. The work uncertified is Rs.30,000. Prepare Contract Account.

4. Mention any three features relating to industries which adopt process costing.
5. Find the cost of Process A from the following details:
- Raw materials Rs.22,000
Wages Rs.10,800
Chargeable expenses Rs.3,600
Overhead 80% of wages.
6. Prepare Process Account from the following along with Abnormal Loss A/c and Normal Loss A/c. Material Issued to Process – 1000 kgs at Rs.200 each. Wages Rs.1,40,000 and Overhead Rs.20,000. Normal Loss – 10% of Input and Actual Output – 800 kgs.

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7. A product passes through two process, X and Y. From the details relating to Process X, find out the process cost to be transferred to Process Y.

Direct materials (500 units)	: Rs.7,000
Direct wages	: Rs.5,000
Chargeable expenses	: Rs.3,500
Overheads	: Rs.6,500
Output	: 500 units

There is no loss of units.

8. A Coke manufacturing company produces the following products by using 800 tons of coal.

	(in tons)
Coke	500
Coal tar	200
Benzol	10
Sulphate ammonia	50
Gas	40
Total	800

Price of Coal Rs.2,000; Direct Labour Cost Rs.1,000 and overheads Rs.1,500 respectively per ton of coal at the stage of split-off products. Apportion the joint cost to each joint product using physical unit method of apportionment.

Section C

Answer any **THREE** questions ($3 \times 10 = 30$ Marks)

9. The following information is extracted from the records in respect of Job 707:

Material – Rs.3,400

Wages:

DEPT A : 80 hours @ Rs.2.50 per hour

DEPT B : 60 hours @ Rs.4 per hour

Variable Overheads :

DEPT A : Rs.5,000 for 4,000 hours

DEPT B : Rs.6,000 for 3,000 hours

Fixed Overheads Rs.7,500 for 10,000 hours

Calculate the price to be charged if the profit expected on cost is 10%.

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10. A firm of building contractors undertook a contract for 3,50,000. The Following particulars are furnished for the year ended 31st December, 2011:

Particulars	Rs.	Particulars	Rs.
Materials:		General Plant in use:	
Direct purchased	30,000	WDV	90,000
Issued from stores	10,000	Depreciation	10,000
Direct Expenses	2,500	Wages for labor	40,000
Subcontract charges	6,000	Share of General Overhead	2,000
Materials in hand on 31.12.2011	2,000	Material Lost by fire	500
Outstanding Wages on 31.12.2011	6,000	Direct expenses accrued on 31.12.2011	1,000
Cash received (90% of work certified)	1,62,000	Cost of uncertified work	5,000

Required: Prepare a contract account.

11. The product of a manufacturing concern passes through two processes A and B and then to finished stock. It is ascertained that in each process normally 5% of the total weight is lost and 10% is scrap which from processes A and B realizes Rs.80 per ton and Rs.200 per ton, respectively:

The following are the figures relating to both the processes:

Particulars	Process A	Process B
Materials in tons	1,000	70
Cost of materials in Rs. per ton	125	200
Wages in Rs.	28,000	10,000
Manufacturing expenses	8,000	5,250
Output in tons	830	780

Prepare Process Accounts showing cost per ton of each process. There was no stock or work-in-progress in any process.

12. 1200 Units were introduced into a process at a cost of Rs.12,000. The additional expenditure incurred for the process was Rs.3,000. From past experience and technical estimates, a normal loss equal to onesixth of the input is expected which has scrap value of Re.1 per unit. The actual output for the period was 900 units. Complete the Process Account and show how abnormal loss will be treated in accounts.

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13. A by – product Y is derived from the manufacture of the main product XY. The by-product is further processed for sale. From the following data prepare an account showing the cost per kilogram of products XY and Y:

Particulars	Joint Expenses	Separate Expenses	
	Rs.	XY	Y
Material	20,000	12,000	1,000
Labour	14,000	10,000	4,000
Overhead	5,000	3,000	1,200

The quantities produced during the month under consideration were :
 XY – 400 kg and Y – 100 kg. The selling price of Y is Rs.240 kgs on which the profit earned is estimated @ 30% of the selling Price.
