MILAGRES COLLEGE, KALLIANPUR - 576 114.

Semester ..... V ..... Test .....

Date : 17 - 09 : 2021 Class : III Bcom A Roll No. : 1 8 7 0 5

Subject : Cost and Managment Accounting Paper : .....

Marks Obtained [ ] [ ] [ ] out of 100

60/60

16/1 Signature of the Invigilator

Section - C

7. passanger per km = Distance covered x no. of panonger x no. of trips x no. of vehicles x no. of days.

Onward journey : 50 x 32 x 2 x 1 x 30 = 96000

Return journey : 50 x 30 x 2 x 1 x 30 = 90,000

total panonger per km. 1,86,000

Statment of Operating cost.

Bus passed - 1 month

panonger per km : 1,86,000

particulars	Total cost	cost per panonger km
Fixed charges		
Tax (72000 / 12)	6000	
Other exp	8000	
Garage rent	15000	
Insurance (36000 / 2)	3000	
Tyres & tubes	6000	
Salary to driver	15000	
conductor salary	10,000	
accountant salary	12000	
permit fee	3600	
Total fixed charges.	78,600	
Fixed charge per panonger km : 78,600 / 1,86,000		0.4226
Variable Charges		
Depreciation = (15,00,000 x 10%) = 1,80,000 / 10		
= 15,000 / 1,86,000 =		0.0806

Direct cost.

200 km × 30 days = 6000 km.

100 km	– 7000	=	4,20,000
6000 km	– ?		1,86,000

Repairs	20,000	=	0.1075
	1,86,000		
	Operating cost per passenger-km.		2.8688
(+)	Commision (5% of taking)		0.1793
(+)	Profit (15% of on taking)		0.5379
	Bus fair per passenger km.		3.586

Computation of commision and profit

Cost + Commision + profit = Bus fair.

80 + 5 + 15 = 100.

If

cost	–	Commision
80		5
2.8688	X	? = 0.1793

If

cost	–	Profit
80		15
2.8688	X	? = 0.5379

∴ Bus fare to be charged between two towns.

50 km × 3.586

= 179.3

Section - B

5. Apportionment of joint cost.

Particular	P	Q	R.
Sales	42000	20,000	18,000
(-) Profit : P = (42000 × 50 %)	21000	10,000	6000
Q = (20,000 × 50 %)			
R = (18000 × 33.33 %)			
Total cost	21,000	10,000	12000
(-) Subsequent exp	7000	4000	5000
Joint cost	14000	6000	7000

Elementwise apportionment of joint cost.

Particulars			P	Q	R
Joint cost					
material =	P = 10,000 ×	14000/27000	5185.18	2222.22	2592.60
	Q = 10,000 ×	6000/27000			
	R = 10,000 ×	7000/27000			
Labour =	P = 8000 ×	14000/27000	4148.15	1777.78	2074.07
	Q = 8000 ×	6000/27000			
	R = 8000 ×	7000/27000			
other cost	P = 9000 ×	14000/27000	4666.67	2000	2333.33
	Q = 9000 ×	6000/27000			
	R = 9000 ×	7000/27000			
total			14000	6000	7000

main product P A/c.

Particular	₹	Particula	₹
To Joint cost		By by product Q A/c.	
material	10,000	material 2222.22	
labour	8000	labour 1777.78	
other cost	9000	other cost 2000	6000
To Separab exp : material	2000	By by product R A/c	
labour	2400	material 2592.60	
other cost	2600	labour 2074.07	

To P&L A/c (B.F)	21000	labour cost 2333.33		7000
		By sale		42000
	55000			55000

By product P A/c.

Particulars		₹	Particulars	₹
To main product P A/c			By sale	20,000
material	2222.22			
labour	1777.78			
Other cost	2000	6000		
To Separate exp.				
material	1600			
labour	1400			
Other cost	1000	4000		
To P&L A/c (B.F)		10,000		
		20,000		20,000

By By product P A/c

Particulars		₹	Particulars	₹
To main product P A/c				18000
material	2592.60			
labour	2074.07			
Other cost	2333.33	7000		
To Separate exp				
material	1800			
labour	1700			
Other cost	1500	5000		
To P&L A/c (B.F)		6000		
		18000		18000

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Section - A

1. Input = Output + abnormal loss + normal loss

Input x = 10,000 + 800 + 0.1 x

x = 10,800 + 0.1 x

$x - 0.1x$ = 10,800

$0.9x$ = 10,800

$x = \frac{10,800}{0.9} = 12000$

∴ Input = 12000 units

Process A/C.

Particulars	Qty	Rate	₹	Particulars	Qty	Rate	₹
To material	12000	40	4,80,000	By normal loss	1200	10	12000
To wages			32000	(12000 × 10%)			
To overhead			26800	By abnormal loss	800	48.78	39022
				By next process	10,000	48.78	487778
			5,38,800				5,38,800

Value of abnormal loss

$= \frac{\text{Total cost} - \text{Scrap sold}}{\text{Input} - \text{normal loss}} \times \text{abnormal loss units}$

$= \frac{5,38,800 - 12000}{12000 - 1200} \times 800$

$= \frac{5,26,800}{10,800} \times 800$

= 39022.22 ≈ 39022

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2 Calculation of total ton km

= Distance covered × capacity carried × no. of trips × no. of vehicle × no. of days

Onward : 40 × 4 × 3 × 10 × 25 = 1,20,000

Return : 40 × 0.8 × 3 × 10 × 25 = 24,000

Total ton km. 1,44,000

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Section - B.

6. I. On the basis of market value
(a) Selling price at split off point.

Sale : A = 7000 × 2 = 14000
B = 3000 × 3 = 9000

Sale ratio = 14000 : 9000
= 14 : 9

Apportionment of joint cost
A = 11,500 × 14/23 = 7000
B = 11,500 × 9/23 = 4500

Statement showing profit & loss

Particular	A	B
Sale (A)	14000	9000
(-) Cost : Joint cost (B)	7000	4500
Profit = (A - B)	7000	4500

(b) After further processing.
Sale = A = 7000 × 3 = 21,000
B = 3000 × 4.50 = 13500

Sale ratio = 21,000 : 13500
= 210 : 135

Apportionment of joint cost.

A = 11,500 × 210/345 = 7000

B = 11500 × 135/345 = 4500

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Statment showing profit & loss

Particulars	A	B
Sales (A)	21000	13500
(-) cost : Joint cost	7000	4500
Post separation cost	2000	1000
Total cost (B)	9000	5500
profit (A - B)	12000	8000

1) Physical weight method

Ratio of weight = 7000 : 3000

= 7 : 3

Apportionment of joint cost

Product A' share = 11,500 × 7/10 = 8050

B's share = 11,500 × 3/10 = 3450

Statment showing profit & loss

Particulars	A	B
Sales A = (7000 × 2) B = (3000 × 3)	14000	9000
(-) cost : Joint cost	8050	3450
profit	5950	5550

2) Average unit cost method

Total joint cost / total units produced

11,500 / 10,000 = 1.15

Apportionment of joint cost

Product A's share = 7000 × 1.15 = 8050

Product B's share = 3000 × 1.15 = 3450

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Statement showing profit & loss

particular	A	B
Sale	14,000	9000
- cost : Joint cost	8050	3450
profit	5950	5550