

Dr. Babasaheb aAmbedkar Open University
Term End Examination April - 2011

Course : Diploma in Advance Cost Accounting (**DACA**)

Roll No.: _____

Subject : Basic of Cost Accounting (**DACA-01**)

Date : 20/04/2011

Time : 11.00 to 02.00

N.B. : All questions carry equal Marks.

Total Marks : 70

Q.1 Write a note on the classification of cost based on relationship to decision making. (14)

OR

Write note on Direct cost and Indirect cost.

Q.2 Determine EOQ by Trial and Error Method from the following details. (14)

- (a) Inventory requirement per year 6,000 units
- (b) Cost per unit Rs. 5
- (c) Carrying cost per item for one year Rs. 1
- (d) Cost of placing each order Rs. 60
- (e) Alternative order size (units)
6000, 3000, 2000, 1200, 1000, 600 and 200

OR

- (a) Explain the concept of EOQ.
- (b) Explain the concept of Trial and Error.

Q.3 Following information is available in respect of consumption of Material Amt. Ltd. (14)

- (a) Average consumption 200 units per day.
- (b) Minimum consumption 120 units per day.
- (c) Maximum consumption 260 units per day.
- (d) Ordering Quantity 10,000 units.
- (e) Re-order period 25 to 30 days.

Determine the Ordering level, Maximum level Minimum level and Safety level.

OR

- (a) Explain the Rowan plan with illustration.
- (b) Explain the Halsag plan with illustration.

Q.4 A worker takes 9 hours to complete a job on daily wages and 6 hours on a scheme of payment by result. His day rate is 75 paise per hour the material cost of the product is Rs. 4 and the overheads are recovered at 150% of the total direct wages. Calculate the factory cost of the product under. (14)

(A) piece work plan (B) Rowan plan (C) Halsey plan

OR

The following expenses were incurred annually in Akash Ltd. having 5 Machines of similar nature

- (1) Lighting for the factory Rs. 800
- (2) Supervision Rs. 900
- (3) Repairs Rs. 2,400
- (4) Rent and Rates Rs. 4,000
- (5) Attendants : Two persons looking after eight Machines paid Rs. 60 per month each
- (6) Interest paid on loan Rs. 2,000
- (7) Power consumed for shop at 10 paise per unit Rs. 9,600
- (8) Depreciation per Machine Rs. 300
- (9) Sundry supplies for factory Rs. 240
- (10) Each machine consumes 10 units of power in an hour.

Calculate machine hour rate if a machine runs for 1,200 hours in a year.

Q.5 Write note (Any two) (14)

- (1) Shut down costs.
 - (2) Taylors Differential piece rate system.
 - (3) Basis of allocations for overheads.
 - (4) Direct labour and Indirect labour.
-

Dr. Babasaheb aAmbedkar Open University
Term End Examination April - 2011

Course : Diploma in Advance Cost Accounting (DACA)

Roll No.: _____

Subject : Various forms of costing (DACA-02)

Date : 20/04/2011

Time : 03.00 to 06.00

N.B. : All questions carry equal Marks.

Total Marks : 70

Q.1 Explain Briefly (Any two) :- (14)

1. Job costing.
2. Batch costing.
3. Singal costing.
4. Operating costing.

Q.2 In Kamlesh Ltd. A product passes through two processes. A and B. During the month ended June 30, 1500 units were produced. The detailed cost break – up is as follows: (14)

	Process – A	Process – B
Direct materials	Rs. 90,000	Rs. 75,000
Direct labour	Rs. 75,000	Rs. 1,50,000
Direct expenses	Rs. 15,000	Rs. 18,000

Indirect overhead costs during the period were Rs. 60,000 apportioned to the processes on the basis of direct labour cost. No work in-progress existed at the beginning and end of the period. Prepare relevant process accounts.

OR

Tanna Ltd. is running 4 buses between two towns which are 100 kms apart the seating capacity of each bus is 50 passengers and 80% of this capacity is actually used. Each vehicle makes 2 round trips daily and the vehicles are working on an average of 25 days a month. Determine the passenger kms.

Q.3 In Devanshi Ltd., six hundred kgs of material was charged to process I at the rate (14) Rs. 4 per kg. The direct labour accounted for Rs. 200 and the other departmental expenses amounted to Rs. 760. The normal loss is 10% of input. During the period, the actual production was 500 kgs and 100 kgs was scrap. Assuming that the scrap is saleable at Rs. 2 per kg.

Prepare a ledger account of process I showing the values of normal and abnormal losses.

OR

From the following data calculate the cost per km of a vehicle for Janab Transport Ltd.

Value of vehicle :	Rs. 15,000
Road licenses for the year	Rs. 500
Insurance charges per year	Rs. 100
Garage rent per year	Rs. 600
Driver's wages per month	Rs. 200
Cost of petrol per litre	Rs. 0.80
Proportional charge for tyre and maintenance per km.	Rs. 0.20
Estimated life (kms)	Rs. 1,50,000
Estimated annual mileage (kms)	Rs. 6,000
Petrol consumption (kms/litre)	Rs. 8

- Q.4 Raj Ltd. manufactures products x, y, z by processing a specific raw material (14) in Department-1. The production process is such that every 1,100 kgs of raw materials that is put into Department -1. yield 400 kgs of x, 250 kgs of y and 350 kgs of z. The total cost of processing a batch of 1,100 kgs of raw materials through Department-1 is Rs. 22,000. Allocate the joint costs to the three products using the physical quantity method.

OR

In Shiv Ltd. product Z yields by – products x and y. The joint expenses of manufacturing are Rs. 65,500. From the following additional information, show how you would apportion the joint expenses incurred in manufacturing.

	x Rs.	y Rs.	z Rs.
Sales	1,00,000	40,000	25,000
Manufacturing costs after separation	20,000	5,000	4,000
Estimated selling expenses as percentage on sales	20	23	20
Estimated Profit as percentage on sales	20	25	30

- Q.5 Write short note: (Any two) (14)
1. Contract costing
 2. Performa contract account (when the work is in process)
 3. Job Cost Sheet
 4. Format of production account

Dr. Babasaheb Ambedkar Open University
Term End Examination April-2011

Course : Diploma in Advanced Cost Accounting (DACA)

Roll No.: _____

Subject : Managerial Cost Accounting (DACA-03)

Date : 23-04-2011

Time : 11.00 to 2.00

N.B. : All Questions carry equal Marks

Total Marks : 70

Que.1 What is the Scope of standardization of uniform costing ? (14)

OR

What is the meaning and need for inter-firm comparison?

Que.2 Marmik Ltd has adopted Integrated Accounting system. Journalise the following transactions for August 2001 and prepare wages control Account. (14)

	Rs
Direct wages paid	53,400
Direct wages charged to production	51,000
Indirect wages paid	11,500
Indirect wages allocated	11,500
Wages for Repairs	800

OR

Write appropriate entries in the situation under integrated system.

Que.3 Explain algebraic method of break even analysis? (14)

OR

Explain graphic method of break even analysis?

Que.4 Explain make or buy decision in decision making? (14)

OR

Explain sell or further process decision in decision making ?

Que.5 What are the advantages and limitation of investment Center of responsibility? (14)

OR

Define the meaning of budgeting and its essential elements ?

Dr. Babasaheb Ambedkar Open University
Term End Examination April-2011

Course : Diploma in Advanced Cost Accounting (DACA)

Roll No. : _____

Subject : Variance Analysis (DACA-04)

Date : 23-04-2011

Time : 3.00 to 6.00

N.B. : All Questions carry equal Marks

Total Marks : 70

Que.1 From the following data calculate Material Yield Variance (14)

Standard price	Rs. 27.00
Standard Quantity :	4000kg
Normal loss :	10%
Actual Production	3400kg

OR

Que.1 Calculate Material cost, price and usage variance from following data at Anal Ltd.

Material	Standard		Actual	
	Quantity (kg)	Price (Rs/kg)	Quantity (kg)	Price (Rs/kg)
A	600	16	720	15
B	900	20	1080	22
	1500		1800	

Que.2 The following information is available from record of ABC Ltd calculate all Fixed overhead variance. (14)

	Budget	Actual
Fixed overhead for March (Rs)	20000	24000
Production in March (units)	4000	4200
Standard time per unit (hours)	10	
Actual hours worked in March		44000

OR

Que.2 Calculate fixed overhead on the basis of this information of ABC Ltd. (14)

	Standard	Actual
Hours during a Month	9000 hours	9810 hours
Days in each Month	25 days	27 days
Monthly fixed overhead	Rs. 15000	Rs. 16000
Monthly production	6000 units	6600 units

Que.3 The detail regarding labour cost of XYZ Ltd for March 2009 are given below calculate labour variance. (14)

Standard hours	800 hours
Standard rate per hour	Rs. 6.80
Actual wages paid	Rs. 8736
Actual hours	760 hours
Abnormal idle time	32 hours

OR

Que.3 Calculate Sales Variance from figures of Sales by XYZ Ltd. (14)

	Standard			Actual		
	Quantity (units)	Price (Rs)	Amount (Rs)	Quantity (units)	Price (Rs)	Amount (Rs)
A	1600	6	9600	1500	7	10500
B	2400	10	24000	1800	8	14400
	4000		33600	3300		24900

Que.4 Arjun Ltd. produces a toy by two basic raw Material. The following standards have been set up for raw Materials. (14)

Materials	Standard Mix	Standard Price per kg
A	40%	Rs.4.00
B	60%	Rs.3.00

The standard loss of 15% is expected in production. The following actual cost data is given for the period.

800 kg. Material A at Rs. 4.25 per kg

1200 kg. Material B at Rs. 5.00 per kg

The weight produced is 1700kg

calculate Material variance.

OR

Que.4 Arpan Ltd. produces following information calculate Labour Variance. (14)

	Standard		Actual	
	Hours	Rate per hour	Hours	Rate per hours
Male	3000	0.80	2500	0.90
Female	1200	0.60	1800	0.60
Children	400	0.40	300	0.40
	4600		4600	

Que.5 Write the procedure for disposal of Variances. (14)

OR

Que.5 Following is the information about sales by Harshil Ltd. In March 2009 compute sales variance.

	Standard		Actual	
	Quantity	Price(Rs)	Quantity	Price(Rs)
X	2000	12	2400	13
Y	1200	15	800	14