SYBBI sem IV Reg. Exam April - 2023

Total Marks: 75

17/4/23

Note:

1. All Questions are Compulsory carrying 15 Marks each with Internal Options
2. Q: 1(A) and Q: 1(B)
3. Q: 2(A) or Q: 2(B); Q: 3(A) or Q: 3(B); Q: 4(A) or Q: 4(B); Q: 5(A) or Q: 5(B)

Q1. A. Fill in the blanks: (Attempt any 8 out of 10)

1. Dividend received is shown in ____________ accounts only.
2. Variable Cost varies in direct proportion to __________.
3. Material Cost Variance is Favorable when Actual Cost is __________ than the Standard Cost.
4. Factory Cost is = Prime Cost + ___________ Overheads.
5. Interest on Investment increases __________ Profit.
6. __________ Manager is responsible for efficient buying.
7. ________ Ratio shows relationship between Contribution and Sales.
8. Drawing office salaries is __________ Overheads.
9. Cost Accounting system is developed for _____________.
10. Product Cost is a ____________ Cost.

AND

Q1. B. State whether the following are True or False (Attempt any 7 out of 10)

1. Idle Time Variance is always favorable.
2. Excess of Actual Cost over Standard Cost is a favorable Variance.
3. Cost incurred in Closing down a department is called as Sunk Cost.
4. Sale of Scrap is added to Cost of Material.

5. Direct Cost cannot be allocated to the Cost Unit.
6. Fixed Cost changes according to the level of activity.
7. Marginal Cost is Fixed Cost.
8. P.V Ratio increases when there is decrease in Fixed Cost.
9. Under absorption of Overheads decreases Costing Profit.
10. Retrenchment Compensation is considered in Costing.

Q2. A. Prospective Ltd. Commenced business on 1st April, 2021. Cost and Financial Records are maintained for the year ended 31st March, 2022. From the following Information:

i. Prepare Cost Sheet for the year ended 31st March, 2022.

ii. Prepare Reconciliation Statement for the above period.

Particulars	As per Financial Records (Rs.)	As per Costing Records (Rs.)
Direct Materials Consumed	6,35,000	6,35,000
Direct Wages	5,10,000	5,07,500
Factory Overheads	2,45,000	20% of Prime Cost
Administrative Overheads	6,40,000	Rs. 5 per unit of Production
Preliminary Expenses Written Off	18,500	-
Dividend Received	17,600	-
Interest Received on Fixed Deposit	23,800	-
Selling and Distribution Overheads	9,38,500	Rs. 8 per unit sold
Reserve for Bad Debts	1,900	-
Closing Stock - Finished Goods (5,000 units)	90,000	?

- Work-in-Progress	22,000	21,000
Sales (1,20,000 units)	30,00,000	30,00,000

In Cost Accounts Closing stock of finished goods is valued at Cost of Production. The profit as per financial records for the year ended 31st March 2022 was Rs. 1,64,500/-.

OR

Q2. B. i. The Reliable Battery Co. furnishes you the following information:

Particulars	First half (Rs.)	Second half (Rs.)
Sales	8,10,000	10,26,000
Profit earned	21,600	64,800

From the above, you are required to compute the following assuming that the fixed cost remains the same in both the periods.

1. P/V Ratio.
2. Fixed Cost.
3. The amount of profit or loss where the sales are Rs. 6,48,000.
4. The amount of sales required to earn a profit of Rs. 1,08,000.

Q2. B. ii. The Standard mix of product is:

X	600 units at 15 paise per unit
Y	800 units at 20 paise per unit
Z	1,000 units at 30 paise per unit

The Consumption was:

X	640 units at 20 paise per unit
Y	960 units at 15 paise per unit
Z	840 units at 30 paise per unit

Calculate the material variances.

Q3. A. Following details are furnished by N.Y. Ltd. of Expenses incurred during the year ended 31st March, 2022.

Particulars	**Amount (Rs.)**
Salesman Salary	6,47,500
Opening Stock of Finished Goods (2,000 Units)	7,60,000
Directors Fees	9,73,700
Indirect Wages	9,76,300
Repairs to Office Furniture	4,01,700
Works Manager Salary	11,94,700
Showroom Expenses	10,68,750
Depreciation on Computer	12,12,900
Indirect Materials	7,31,900
Depreciation on Plant and Machinery	4,77,100
Advertisements	15,33,750
Office Salary	7,91,700
Direct Wages	10,01,000
Direct Materials	18,82,400
Direct Expenses	4,96,600
Closing Stock of Finished Goods (3,000 Units)	?

Other Information:

1. Closing Stock of finished goods to be valued at cost of production.
2. Profit desired on sales is 20%
3. Number of units sold during the year was 25,000.

Prepare Cost Sheet showing the various elements of cost both in total and per unit and also find out the total profit and per unit profit for the year ended 31st March 2022.

OR

Q3. B. Calculate Material & Labour variances from the following:

Standard cost per unit

Material 50 kg @ Rs. 40 per kg.

Labour 400 hrs @ Rs. 1 per hrs.

Actual

Material 4900 kg @ Rs. 42 per kg

Labour 39,000 hrs @ Rs. 1.10 per hour

Actual production 100 unit

Q4. A. From the following data calculate:

1. P/V Ratio
2. Profit when sales are Rs. 20,000
3. The new break even point, if the selling price is reduced by 20%

Particulars	Amount (Rs.)
Fixed Expenses	4,000
Break-even Point	10,000

OR

Q4. B. From the following figures prepare a Reconciliation Statement:

Particulars	Amount (Rs.)
Net loss as per Costing records	1,72,400
Works overhead under recovered in Costing	3,120
Administrative overhead recovered in excess	1,700

Depreciation charged in Financial records	11,200
Depreciation recovered in Costing	12,500
Interest received not included in Costing	8,000
Obsolescence charged (loss) in Financial records	5,700
Income-tax provided in Financial books	40,300
Bank interest credited in Financial books	750
Stores adjustment (credit) in Financial books	475
Opening Stock of Cost Accounts	52,600
Opening Stock of Financial Accounts	54,000
Closing Stock of Cost Accounts	52,000
Closing Stock of Financial Accounts	49,600
Interest charged in cost accounts but not in Financial Accounts	6,000
Preliminary expenses written off in Financial Accounts	800
Provision for doubtful debts in Financial Accounts	150

Q5. A. Answer in Brief:

1. Importance of Cost Accounting to Management, Government and Consumers. (8 marks)
2. Reasons/Causes of Material Price Variance and Material Usage Variance. (7 marks)

OR

Q5. B. Short Notes (Attempt any 3 out of 5)

1. Controllable Cost
2. Opportunity Cost
3. Break Even Point
4. Variable Cost
5. Direct Cost & Indirect Cost