

UCCC & SPBCBA & SDHGBCA & IT

S.Y.B.com Sem. - 4

Advanced Accounting and Auditing Paper - 3

Operating Costing:

PRACTICE QUESTION-1

1. From the following information find out total passenger kms. and total kms.

No of buses	5
Days operated in the month	25
Daily roundtrips of each bus	4
Distance between two place	20 kms.
Capacity of the bus	50 passenger
Normal passengers travelling	90% of the capacity

[V.N.S.G.U April 2013]

2. The truck carries goods to and from the city covering a distance of 10 km. each way. On outward trip freight is available to the extent of full capacity 10 tonnes and on return trip 70% of capacity. Daily two roundtrips are possible. The truck runs on an average 25 days in a month. Find out monthly tonne km. from the above information:
3. From the following information find out total passenger kilometer per month

Kilometers	Passengers
5	15,000
10	8500
15	7000
20	5000
25	4000

[V.N.S.G.U April]

4. From the following data relating to truck 'Ekta', compute cost per running mile:

Particulars	
Mileage run (annual)	15,000
Cost of truck	Rs 2,50,000
Road license (annual)	Rs 7500
Insurance (annual)	Rs 7000
Garage Rent (annual)	Rs 6000
Supervision and salaries (annual)	Rs 12,000
Driver's wages per hour	Rs 30
Cost of fuel per liter	Rs 30
Miles run per liter	20 miles
Repairs and Maintenance per mile	Rs 16.5
Tyre allocation per mile	Rs 8
Estimated life of truck	1,00,000 miles

Charge interest at 5% per annum on the cost of truck. The truck runs 20 miles per hour.

[V.N.S.G.U April 2016]

5. Malav transport Co. has following fleet of vehicles:

No. of vehicles	40	30	20	10
Capacity (Tons)	10	8	6	5

On an average each truck makes 5 trips a day and each trip covers an average distance of 20 k.m. (one way). Each truck carries weight which is only 80% of the capacity. Taking an annual average 10% of the trucks are laid down for repairs everyday. Truck runs everyday in the month of April 2017. Find out total tons km in this month.

6. Prakash transport co. supplies the following details in respect of a truck having 10 ton capacity:

Cost per truck	Rs 14,00,000
Scrap Value at the end of life	20% of cost of truck
Estimated life of truck	20 years
Diesel, Oil and grease	Rs. 1 perton km
Repairs and Maintenance	Rs 2000 p.m.
Driver's Wages	Rs 2400 p.m.
Cleaner's wages	Rs 1200 p.m.
Insurance premium per truck	Rs19,200 p.a.
Taxes	Rs 9600 p.a.
Supervision charges per truck	Rs 4800 p.a.

The truck carries goods from Surat to Valsad and Valsad to Surat. Surat and Valsad city is located at a distance of 80 kms. each way. On outward trip freight is available to the extent of full capacity and on return 50% of capacity. One roundtrip is possible each day. Assuming that the truck runs on an average 20 days in amonth, find out the operating cost perton kilometer. [V.N.S.G.U April 2017]

7. Kashmir Travels has one luxury bus. Cost of bus is Rs 20 lakhs. Its useful life is 5,00,000 km. During the month of April the bus completed 10 roundtrips for 20 days and 8 round trips for 5 days. Repairing cost is estimated 50% of depreciation.

Passenger's Details		Monthly expenses	
Kilometers	Passengers	Expenses	Rs
10	20,000	CNG Gas	3,00,000
15	40,000	Oil and Grease	2,00,000
20	50,000	Insurance	1,50,000
25	60,000	Tyre – tube	5,00,000
30	70,000	Driver's salary	20,000

		Road tax	50,000
--	--	----------	--------

Company wants to earn 25% profit on net income. Prepare cost statement showing cost per passenger km and rent per km. [V.N.S.G.U April 2012]

8. Renuka owns a travel bus, which runs 25 days in a month according to the following schedule:

- (A) Ahmedabad to Surat and back the same way:  
 One side distance 250 km  
 Days run 10  
 Occupied seating capacity 90%
- (B) Ahmedabad to Rajkot and back the same way:  
 One side distance 200 km  
 Days run 10  
 Occupied seating capacity 80%
- (C) Ahmedabad local:  
 Distance covered per day 200 km  
 Days run 5  
 Occupied seating capacity 100%
- (D) Other information:  
 Cost of bus Rs 40,00,000  
 Depreciation - annual 15%  
 Salary of driver p.m. Rs 15,000  
 Salary of conductor p.m. Rs 10,000  
 Other administrative exp. p.m. Rs 38,500  
 Insurance - annual 3%  
 Road tax - annual Rs 6000  
 Repair and Maintenance p.m. Rs 1000  
 Diesel consumption 4 km per litre  
 Diesel price Rs 35 per litre  
 Lubricant Oil Rs 50 per 100 km

- (E) The bus has a capacity of 50 persons.  
 From the above information calculate fare per passenger km, if he wants to earn  $33\frac{1}{3}$  % profit on his taking.  
 Calculate the passenger fare for Ahmedabad to Surat and Ahmedabad to Rajkot.

[V.N.S.G.U April 2018]

9. Kusumben Kadakiya Transport Company owns a fleet of 3 bus which are used to carry students of Kadakiya College from Ankleshwar station to college and back covering a total distance of 10 km. Each bus makes two roundtrips a day and carries 56 passengers in a single trip. All the buses work 25 days in a month.

Following are the expenses from which you are required to find out cost per passenger k.m. to Kusumben Kadakiya Transport Company:

Salary of 3 drivers per month	Rs 15,000
Salary of 3 cleaners per month	Rs 12,000
Diesel charges per litre	35
Road taxes per day per passenger	5
License fees per bus per year	Rs 24,000
Garage rent (total) per annum	Rs 72,000

Insurance charges (yearly) 5% on cost of vehicle.

Maintenance is 50% of depreciation charges.

Each bus costs Rs 30,00,000 and has scrap value of Rs 3,00,000 at the end of its life of 10 years. Each bus runs 7 k.m. in one litre diesel.

College contributes 60% of the freight to be charged from student.

If 1/5 of the cost is charged as profit by Kadakiya Transport Company, what will the student pay per month to the college as transport charges?

[V.N.S.G.U April 2010]

10. Kaushal Automobiles distributes its goods to a regional dealer using a truck. The dealer's

premises are 40 kms away by road. The truck has a capacity of 10 tonnes.

Truck makes the journey twice a day. The truck has fully loaded on the outward journeys while empty on return journeys. The following information is available for a four weekly period during the year 2019.

Petrol Consumption	8 kms per ltr.
Petrol cost	Rs 70 per ltr.
Oil	Rs 3000 per week

Driver's salary	Rs 2000 per week
Repairs	Rs 800 per week
Garage rent	Rs 300 per week
Cost of truck	Rs 18,00,000
Life of truck	4,00,000 kms
Scrap value of truck (at the end of its life)	Rs 2,00,000
Insurance (yearly)	Rs 20,800
Cost of tyres	Rs 75,000
Life of tyres	75,000 kms

Licence fee	Rs 5200 (yearly)
Administrative expenses	Rs 83,200 (yearly)

Truck operates on a five day week. Prepare an operating cost sheet for the four weekly period and find out cost per tonne kilometer and per kilometer.

*[V.N.S.G.U April 2020]*

UDHANA COLLEGE