



Date: 23-10-2018
Time: 09:00-12:00

Dept. No.

Max. : 100 Marks

Section A (10 X 2 =20 marks)

Answer all the Questions.

1. What are the elements of cost?
2. What is a cost sheet?
3. What is a scrap?
4. Calculate the economic order quantity from the following particulars:
Annual usage 20,000 Units
Buying cost per order Rs.10
Cost per unit Rs.100
Cost of carrying inventory 10% of cost
5. Calculate the earnings of a worker under Rowan Plan from the following data:
Standard time 10 hours
Time Taken 6 hours
Rate Rs.2 per hour
6. List out the types of functional overheads.
7. What is cost plus contract?
8. Ascertain the amount of profit taken to P&L account:
Notional profit Rs.79, 000, Cash received Rs.3,30,000 Work certified Rs.4,00,000, Contract Price Rs.6,00,000 .
9. Write short note on semi- variable overheads..
10. What is job costing?

Section B (4X10 =40 marks)

Answer any Four Questions.

11. Calculate works cost from the following:

	Rs.
Materials	60,000
Labour	40,000
Direct expenses	10,000
Factory overheads	50,000
Work-in – progress:	
Opening stock	10,000
Closing stock	8,000
12. The following expenses were incurred on contract still unfinished on 31.12.2015;
Materials : Rs.40,000, Wages : Rs.35,000, Site expenses : Rs.25,000
Rs.2,00,000 was received from the contractee being 80% of work certified. Work uncertified was Rs.10,000. If the contract price was Rs.8,00,000, Calculate the profit to be credited to Profit & loss Account. Prepare Contract a/c.
13. Calculate the labour turnover by applying three methods.

There were 8000 workers in a factory on 1.1.2015. Number of workers in the factory on 31.12.2015 were 8200. New entrants in service during the year were 400 and leavers were 200.

14. Calculate the machine hour rate;	Rs.
Cost of machine	8000
Cost of installation	2000
Scrap value after 10 years	2000
Rent for a quarter	300
General lighting per month	20
Salary of supervisor per quarter	100
Insurance premium for a machine p.a.	60
Repair charges p.a.	100
Power - 2 units per hour at 5 paise per unit	
Estimated working hours per year -2000	

15. Discuss the objectives of cost accounting.

16) Discuss the procedure involved in Activity Based Costing.

17. Two components X and Y were used as follows :

- Normal usage 60 units per week
- Minimum usage 30 units per week
- Maximum usage 90 units per week
- Reorder quantity X- 600 units Y- 800 units
- Reorder period- X- 4 to 6 weeks
- Y- 2 to 4 weeks

Calculate re-order level, maximum level, minimum level and average stock level.

Section C (2 X 20 = 40 marks)
Answer any TWO questions

18. On August 15, 1991 a manufacturer Ganesan desired to quote for a contract for the supply of 500 radio sets. From the following details, prepare a statement showing the price to be quoted to give the same percentage of net profit on turnover as was realised during 6 months ending on 30 June 1991 :

Material as on 1/1/1991	20,000
Material as on 30/6/1991	25,000
Purchase of material during 6 months	1,50,000
Factory wages during 6 months	1,20,000
Indirect charges during 6 months	25,000
Opening stock of completed sets	Nil
Closing stock of completed sets	100
Sales during 6 months	3,24,000

The number of radio sets manufactured during these six months was 1450 sets including those sold and those stocked at the end of the period. The radios to be quoted are of uniform quality and size as were manufactured during six months to 30/6/1991. From August 1, the cost of factory labour has gone up by 10%.

19. The following information are extracted from the store ledger:

2018 Jan.

- 1. Opening Balance 500 units at Rs.4
- 5. Purchases 200 units at Rs.4.25
- 12. Purchases 150 units at Rs.4.10
- 20. Purchases 300 units at Rs.4.50
- 25. Purchases 400 units at Rs.4

Issues of Materials were as follows:

Jan.

- 4. 200 Units
- 10. 400 units
- 15. 100 units
- 19. 100 units
- 26. 200 units
- 30. 250 units

Issues are being priced on the principle of 'FIFO' method. Write the store ledger account.

20. The following particulars relate to a manufacturing company which has three department A,B,C and two service departments X and Y.

	Department				
	A	B	C	X	Y
	Rs	Rs	Rs	Rs	Rs
Total department overheads as per primary destination	16,000	13,000	14,000	4,000	6,000

The company decided to charge the service department cost on the basis of the following percentage

	Production Dept			Service dept	
	A	B	C	X	Y
X	20%	25%	35%	-	20%
Y	25%	25%	40%	10 %	-

Find the total overhead of production departments on the Repeated Distribution method.

21. Distinguish between financial accounting and cost accounting.

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