

Total Time: 2 Hrs 30 min

Total Marks: 75

N.B. (1) All Questions are compulsory subjected to internal options

(2) Figures to the right indicate full marks

(3) Use of simple calculator is allowed

(08 marks)

Q.1a: Fill in the Blanks: (Any 08)

1. Costs are classified on the basis of _____ into historical costs and predetermined costs.

- a. Time b. Function c. Behavior

2. EOQ stands for _____.

- a. Economic Order Quantity b. Economic Output Quantity c. Essential Order Quantity.

3. Continuous stock taking is a part of _____.

- a. Annual stock taking b. perpetual inventory c. None of the these

4. Goods received note is prepared by _____.

- a. Receiving Department b. dispatching Department c. Sales Department

5. _____ means the process of ascertainment of cost.

- a. Costing b. cost reporting c. cost control

6. Rent is apportioned between the departments on the basis of _____.

- a. Stock value b. Floor area c. No. of workers

7. The allotment of whole items of cost to cost centers or cost units is called _____.

- a. Cost Allotment b. Cost Apportionment c. Overhead Absorption

8. Cost are classified on the basis of _____, into Fixed cost, Variable Cost and Semi-variable cost.

- a. Behaviour b. Function c. Traceability

9. _____ cost is aggregate of variable cost.

- a. Direct Cost b. Abnormal cost c. Subjective cost

10. Under Emersons' efficiency system, no bonus is payable when efficiency is upto _____.

- a. 66 2/3 % b. 100% c. 50%

Q.1.b: state whether true or false (Any 07) (07 marks)

1. Costs are classified on the basis of behaviour into Fixed cost, Variable cost and Semi-variable or semi-fixed cost.
2. Overtime is the work done by a worker beyond his normal working hours.
3. EOQ is the quantity at which both ordering costs are carrying costs are minimum.
4. Wages paid to a piece rate worker are direct wages.
5. Stock ledger is a record of all receipts and issues of materials during a particular period.
6. Clock Card is a time keeping record
7. Payroll Department determines the gross and net amount of each workers
8. Taylor does not Guarantee time wages but pays only on the basis of efficiency of workers.
9. Periodic matching of income and expenses is one of the fundamental assumptions of cost accounting
10. Variable overheads does not vary with production

(15 marks)

Q.2:

Prepare store ledger Account as per FIFO and Weighted Average Method of material P for month of September 2018

Date	Transactions	Units	Cost per unit
1-9-2018	Opening Balance	4000	2.90
5-9-2018	Purchase	5000	3.00
11-9-2018	Sale	7000	-
16-9-2018	Purchase	7000	3.10
20-9-2018	Sale	8000	-
25-9-2018	Purchase	4000	3.20
30-9-2018	Sale	3000	-

OR

(08 marks)

Q.2.a: A company provides the following information regarding material:

Demand= 4,000 units per month

Purchase price of input unit= Rs.25 per unit

Carrying cost p.a.= 12%

Ordering cost per order= Rs.90

Calculate: i) EOQ ii) Total Annual carrying cost and ordering cost.

(07 marks)

Q.2. (b) The following information is available in respect of material:

Re-order quantity= 3000 units

Re-order period = 4-6 weeks

Maximum usage= 800 units per week

Normal usage= 650 units per week

Minimum usage = 500 units per week

Calculate: i) Re-order level ii) Minimum level iii) Maximum level
iv) Average stock level

(15 marks)

Q.3: Mr. A an employee of XYZ Co. gets the following emoluments and benefits:

- a. Salary - Rs.30000 per month
- b. Dearness Allowance- Rs.6000 per month
- c. Employers contribution to provident fund – 8 percent of salary and Dearness Allowance
- d. Employers contribution to E.S.I – 4 percent of salary and Dearness Allowance
- e. Bonus – 20 percent of salary and Dearness Allowance
- f. Other Allowances –Rs.35000 per annum

Mr. A work for 2,400 per annum, out of which 400 hours are non productive but treated as normal idle time. You are requested to find out the Effective Hourly cost of Mr.A.
Also find cost per Day if Mr.A is working 8 hours in a day.

OR

(08 marks)

Q.3.a: A worker produced 200 units in a weeks' time. The Guaranteed weekly wage payment for 45 hours is Rs.81. The expected time to produce one unit is 15 minutes which is raised further by 20 percent under the incentive scheme. What will be the earnings per hour of that worker under Halsey(50 % sharing) and Rowan bonus scheme?

(07 marks)

Q.3.b: In a manufacturing concern the daily wage rate is Rs.2.50. The standard output in a week is 200 units representing 100 percent efficiency. The daily wage rate is paid without bonus to those worker who show up to 66 2/3% of the efficiency standard. Beyond this there is a bonus payable on a graded scale as below:

- 75% Efficiency – 5 percent bonus
- 90% Efficiency-9 percent bonus
- 100% Efficiency- 20 percent bonus

Further increase of 1percent for every 1 percent further rise efficiency. In a 6 week Mr. A produced 180 units, Mr.B- 150 units, Mr.C -200 units, Mr.D -208 units and E 130 units.

Calculate the earnings of each worker using Emerson Efficiency Bonus System.

(15 marks)

Q.4: A factory has 3 production departments (P1, P2, P3) and 2 service departments(S1 and S2). The following overheads and other information are extracted from the books for the month of January 2018:

Expenses	Amount(Rs.)
Rent	30000
Repair to plant	18000
Depreciation on plant	13500
Lighting	3000
Supervision	45000

Fire Insurance of stock	15000
ESI contribution	4500
Power	27000

Particulars	P1	P2	P3	S1	S2
Area Sq. ft	400	300	270	150	80
No. of workers	54	48	36	24	18
Wages	18000	15000	12000	9000	6000
Value of plant	72000	54000	48000	6000	--
Stock value	45000	27000	18000	--	--
Horse power of plant	600	400	300	150	50

Allocate or apportion the overheads among the various departments on suitable basis

OR

(15 Marks)

Q.4: Classify the given cost on basis of :

A. basis of Traceability:

1. Raw Material
2. Stationery
3. Office Salary
4. Commission on sales
5. Carriage Outward

B: basis of Function:

1. Show room expenses
2. General Manager salary
3. Delivery Van Expenses
4. Compensation to salesman
5. Telephone charges

C. basis of relation to change in Behaviour:

1. Carriage Inward
2. Direct labour
3. Direct Material
4. Wages
5. Power and Fuel

Q.5.a: Explain in detail Advantages of financial Accounting

(08 marks)

Q.5.b: Explain in detail stock ledger

(07 marks)

OR

(15 marks)

Q.5: Write Short note on: (any 03)

1. Semi Variable Cost
2. Labour Turnover
3. Limitation of Cost Accounting
4. FIFO Method
5. Bin Card
