

SEAT No. _____

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SARDAR PATEL UNIVERSITY
BBA (ITM) Semester - IV Examination

Cost Accounting
UM04CBB108

11th April, 2018, Wednesday
10:00 To 12:00

Total Marks: 60

Que.1

(15 Marks)

Write note on any two (2) from followings

- (1) Objectives of Cost Accounting
- (2) Advantages of Cost Accounting
- (3) Techniques of Cost Accounting
- (4) Cost Classification for Management Decision making

Que. 2 (A)

(08 Marks)

From the following information calculate: (1) Economic Order Quantity, (2) Ordering Level, (3) Minimum Level, (4) Maximum Level

Annual Consumption	2500 units
Per unit Cost	Rs.10
Ordering Cost	Rs.200 per order
Carrying cost	10% of cost
Average Consumption per week	50 Units
Maximum Consumption Per week	80 Units
Ordering Time	2 to 3 weeks

Que. 2 (B)

(07 Marks)

Write note on: VED Analysis for Inventory Control

OR

Que. 2 (A)

(07 Marks)

Explain meaning and causes of Labour Turnover.

[P. T. O.]

①

Que. 2 (B)**(08 Marks)**

In a factory there are three workers Mr.X, Mr.Y and Mr.Z. following information is available about their work during the month of March, 2018.

Particulars	Mr.X	Mr.Y	Mr.Z
Time Allowed	200 Hrs.	200 Hrs.	200 Hrs.
Standard Production	160 Units	100 Units	200 Units
Wage Rate per Hr.	Rs.30	Rs.20	Rs.40
Actual Production	180 Units	120 Units	190 Units

You are required to calculate total earning of all three workers for the month of March, 2018 as per

- (1) Halsey Plan
- (2) Rowan Plan

Que.3**(15 Marks)**

In a factory, there are three production departments A, B, C and two service departments X, & Y. The details of overheads for March, 2017 are as under:-

	Rs.
Depreciation	16,500
Canteen Expenses	6,000
Power	9,000
Lighting	6,000
Rent	5,000

Other Information:

Particulars	A	B	C	X	Y
No. of lighting points	6	5	4	3	2
Cost of machine (Rs.)	72000	48000	60000	-	-
H.P. of machine	4	6	2	-	-
Area Occupied (Sq.feet)	600	400	500	300	200
No. of workers	6	6	6	1	1

Service departments provides their services to other departments in following ratio.

Particulars	A	B	C	X	Y
Dept. X	20%	20%	40%	-	20%
Dept. Y	30%	40%	30%	-	-

You are required to distribute overheads to various departments, and redistribute overheads of service departments to production departments as per repeated redistribution method.

OR

Que.3 (A)

Write Note on: Classification of Overheads

(09Marks)

Que.3 (B)

Write Note on: Machine hour Rate

(06Marks)

Que.4

(15 Marks)

Profit and Loss Account of Sonal Co.. Ltd. ended on 31st March 2018 was as under:-

<u>Particulars</u>	<u>Debit Rs.</u>	<u>Particulars</u>	<u>Credit Rs.</u>
Materials consumed	1,37,000	Sales (6000 units)	3,00,000
Wages	75,500	Closing stock of finished Goods(500 Units)	8,000
Factory expenses	41,500		
Office expenses	19,120		
Selling expenses	22,500		
Expenses written off:			
-Goodwill	2,000		
-Pre. expenses	1,000	Rent received	6,900
Net profit	16,280		
	<u>3,14,900</u>		<u>3,14,900</u>

In cost accounts of company: Factory expenses 20 percent on prime cost, office expenses at the rate of Rs.0-60 per unit produced and selling expenses at the rate of Rs.0-80 per unit sold are recovered.

Find out profit by preparing cost sheet and prepare reconciliation statement to compare it with profit as per financial accounts.

OR

[P. T. O.]

Que.4

(15 Marks)

Priya Manufacturers has produced 15,000 units and sold 12,000 units @ Rs.35 per unit during the years 2017. Company provides you following Information.

Stock as on 1st January, 2017

Work in process Rs.16,000

Finished Goods 1,000 units @ Rs.24 per unit

Stock as on 31st December, 2017

Work in process Rs.20,000x

Finished Goods ?

Transactions during the year 2017

Material consumed 2 kg per unit @ Rs.5 per kg

Direct wages 2 hrs. Per unit @ Rs.3 per hour

Carriage Inward Rs.15, 000

Carriage Outward Rs. 7,000

Telephone Expenses Rs. 10,000

Sales Commission 5% of sales

Factory Rent Rs.6, 000

Depreciation on machinery Rs.10, 000

Office Salary Rs.20, 000

Indirect Wages Rs.10, 000

Advertisement expenses Rs.5, 000

Salary to supervisor Rs.24, 000

Administrative Expenses Rs.20, 000

You are required to find out per unit cost and profit.

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