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A-2/A-3

SEAT No.

No. of Printed Pages:

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SARDAR PATEL UNIVERSITY VALLABH VIDYANAGAR

BBA -GENERAL EXAMINATION (2010 BATCH) (FOURTH SEMESTER)

Cost Accounting (Subject Code:- UM04CBBA02/07)

9th April, 2019

10.00 to 12.00 p.m.

Note: - Figures to the right indicate marks

Total marks:- 60

Q.1) Explain meaning, advantages and limitations of cost accounting.

(15)

OR

- Q.1) From the following information, prepare cost sheet showing prime cost, factory cost, cost of goods produced, cost of goods sold, cost of sales and profit per unit. (15)
 - a. Cost of materials @ Rs 13 per unit
 - b. Labour cost @ Rs 7.50 per unit
 - c. Factory overhead are absorbed @ 60% of labour cost
 - d. Administration overhead are absorbed @ 20% of Factory cost
 - e. Selling overheads are charged @ Rs 2.50 per unit sold
 - f. Opening stock of finished goods 500 units @ 19.75
 - g. Closing stock of finished goods 250 units
 - h. Sales 10250 units

Profit is 20% on sales

Q.2)(A) The Complete Gardener is deciding on the economic order quantity for two brands of lawn fertilizers:- Super Grow and Nature's Own. The following information is collected. (04)

Particulars Super Grow Nature's Own
Annual Demand 2000 bags 1280 bags
Relevant ordering cost per order 1200 Rs 1400 Rs
Annual relevant carrying cost per bag 480 Rs 560 Rs

Compute EOQ for Super Grow and Nature's Own.

(B) From the following information you are required to calculate the maximum level, minimum level and ordering level for materials X and Y. (11)

Particulars X Y

Normal usage per week 150 200

Reordering quantity 900 1500

(P.T. D.)

(1)

Maximum usage per week225250Minimum usage per week75100Reordering period (week)12 to 186 to 12

OR

Q.2) (A) Write a note on features of a good wage system.

(05)

(B) A worker has been allowed to complete the work in 30 hours, but he completes the work in 21 hours. Labour rate per hour is Rs 75/-. Find out the wages as per 1) Time wage 2) Piece Wage 3) Halsey Plan 4) Rowan Plan.

(10)

Q.3) Anil Mfg. Co. Ltd. has two production departments 'A' and 'B' and three service departments 'X' ,'Y' & 'Z'. The following figures for the year ended on 31-3-2011 are available: (15)

Insurance of machinery	24,000
General expenses (Production Dept)	3,600
Lighting	5,400
Rent & rates	24,000
Stores Overheads	3,900
Depreciation on Machinery	48,000
Indirect wages	9,000

Other Information:

Particulars	A	В	X	Y	Z
1. Lighting Points	60	40	10	20	20
2. Direct Wages (Rs.)	16,000	20,000	-	-	-
3. Cost of Machine(Rs.)	80,000	1,20,000	10,000	14,000	16,000
4. Power (in Rs.)	10,000	5,000	•	-	3,000
5. Area Occupied (Sq.	200	300	250	150	100
feet)	•				
6. Direct Material Consumed (Rs.)	18,000	21,000	 ,	-	-
7. Indirect Material Consumed (Rs.)	3,000	4,000	6,000	5,000	4,000

The expenses of service departments are to be allocated as follows:



Particulars	A	В	X	Y	Z
Department 'X'	30%	20%	-	20%	30%
Department 'Y'	40%	30%	-	-	30%
Department 'Z'	50%	50%	-	-	-

Prepare: Statement of distribution of overheads to various departments and Statement of distribution of expenses of service departments to production departments.

OR

(A) Write a detailed note on classification of overheads. (8) Q.3) (B) Write a note on Machine Hour Rate. **(7) Q.4)** Dhaval Co. provides following information about his production cost per unit: (15)30.00 Material consumed 20.00 Wages Factory overhead expenses 25% of prime cost Office overhead expenses 6.00 Selling and distribution expenses 2.50

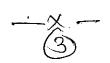
Profit and Loss Account as per Financial Account is as per under:-

Particulars	Rs.	Particulars	Rs.
To Opening stock of finishe	d	By Sales	38,80,000
Goods (5,000 units)	3,50,000	By Closing stock of	
To Material expenses	15,00,000	of finished goods	
To Wages expenses	10,00,000	(6,500 units)	4,50,750
To Factory expenses	6,40,000	By Bank interest	15,000
To Office expenses	3,25,000	By Income tax refund	8,000
To Selling expenses	1,15,250	, ,	
To Penalty	15,000		
To Written of preliminary			
Expenses	3,000		
To Income tax provision	35,000		
To Net profit	3,70,500		
	40 50 550		40 FO 750
	43,53,750		43,53,750

You are required to prepare a Cost Sheet, and Reconciliation statement of both the profit.

OR

Q.4) Write a detailed note on causes of difference between profit as per cost and financial accounts.



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(15)

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