RAIC1223

FYBAF Cost Accounting

reg. Nov. 2023.

Duration: 2 ½ Hrs **Marks: 75**

Q1. A. Match the following (Any 8) **(8)**

Column A	Column B
1. Canteen Expenses	a. Value of Plant
2. Cost Control	b. Numbers of Workers
3. Fixed Cost	c. Monitors and Regulates Cost
4. Variable Cost	d. Fixed Cost
5. Power	e. Factory Rent
6. Period Cost	f. Continues Stock taking system
7. Direct Materials	g. Codification
8. Perpetual Inventory System	h. Floor Supervisor
9. Indirect Labour	i. Cotton used in Shirt
10. Mnemonic System	j. Distribution Expenses

Q1. B. State Whether the following are True or False (Any 7) **(7)**

1. In ABC analysis 'A' class items are costliest.
2. Economic Oder Quantity can be Re-Ordered Quantity but not vice versa.
3. Overtime increases labour cost.
4. Preliminary expenses written off appear only in Financial Accounts.
5. Primary Packaging charges is an example of selling and distribution overheads.
6. Over absorption of overheads increases Costing profit.
7. Fixed cost per unit remains fixed irrespective of level of output.
8. Strikes and lockout is abnormal idle time.
9. Drawing office salaries is an item of Factory overheads.
10. Profit on Sale of asset is shown in financial accounts.

Q2. a. Keep stock record on FIFO and Weighted average basis from the following transactions. **(15)**

Purchases: March 2014

Date	Units	Rate per Unit
01	500	18
04	700	20
09	900	18
15	300	25
25	200	20
31	500	25

Sales : March 2014

02	200	22
07	500	25
11	400	21
18	800	28
27	500	25

Find out cost of goods sold and the profit.

OR

Q2. b. The Purchase manager of an organisation has collected the following data for one of the A class items. **(5)**

Interest of the locked up capital	20%
Order processing cost (Rs) for each order	Rs.100
Inspection cost per lot	Rs.50
Follow up cost for each order	Rs.80
Pilferage while holding inventory	5%
Other holding cost	15%
Other procurement cost for each order	Rs.170
Annual Demand	1000 units
Cost per item	Rs.10

What should be the EOQ?

Q2. c. The following information relates to year 2013-2014 **(10)**

Details	Material I	Material II
Opening Stock	5,00,000	20,00,000
Closing Stock	3,00,000	16,00,000
Net Purchases	42,00,000	50,00,000

Calculate the material turnover ratios regarding each of these materials and express in number of days the average inventory held.

Q3. a. A worker produced 200 units in a week's time, the guaranteed weekly wages payment for 45 hours is Rs.405. The expected time to produce one unit is 15 minutes which is raised further by 20% under incentive scheme. What will be the earning per hour of that worker under Halsey (50% sharing) and Rowan Bonus Scheme? **(15)**

OR

Q3. b. In an engineering factory, the following particulars have been extracted for the year ended 31-12-2017. **(15)**

Particulars	Production Department			Service Department	
	A	B	C	X	Y
Direct Wages	30,000	45,000	60,000	15,000	30,000
Direct Materials	15,000	30,000	30,000	22,500	22500
Staff Number	1,500	2,250	2,250	750	750
Electricity (kwh)	6,000	4,500	3,000	1,500	1,500
Asset Value	60,000	40,000	30,000	10,000	10,000
Light Points	10	16	4	6	4
Area (square metres)	150	250	50	50	50

The expenses for the period were as follows:

Particulars	Rs.	Particulars	Rs
Power	1,100	Depreciation	30,000
Lighting	200	Repairs	6,000
Stores Overhead	800	General Overheads	12,000
Welfare to Staff	3,000	Rent and Taxes	550

Apportion the expenses of service department Y according to Direct wages and those of service department X in the ratio 5:3:2 to the production departments.

You are required to prepare on overhead Distribution Summary.

Q4. **a.** Calculate the earnings of Rakesh and Ramesh from the following particulars for the month of March 2016 and allocate the labour cost to each Job No.100 and Job No. 101. **(15)**

Particulars	Rakesh	Ramesh
Basic Wages	Rs.15,000	Rs.18,000
D.A (on Basic)	80%	80%
Employees Contribution to P.F (On Basic)	10%	10%
Employees Contribution to E.S.I (On Basic)	3%	3%
Overtime Hours	18	15
Expenditure on Amenities (Per month)	Rs.600	Rs.700

The normal working hours for the month are 225. Overtime is paid at double the total of basic and D.A. Employer's contribution to State Insurance (E.S.I) and P.F are at equal rate with employee's contribution. There were two workers employed on Job No. 100 and Job No. 101 in the following proportion.

Name of Worker	Job No. 100	Job No.101
Rakesh	40%	60%
Ramesh	20%	80%

Overtime was done on Job No. 100.

OR

Q4. B. The following Particulars relate to a new machine: **(15)**

Purchase Price	4,00,000
Installation Expenses	1,00,000
Rent per Quarter	3,750
General Lighting for the total area	1,000 per month
Foreman's Salary	30,000 per annum
Insurance Premium for the machine	3,000 per annum
Departmental Overheads for the machine	5,000 per annum

Consumable Stores	4,000 per annum
Power – 2 units per hour at 50 paise per unit	

The estimated life of the machine is 10 years and scrap value at the end of 10^{th} year is Rs.1, 00, 000. The machine is expected to run 20,000 hours in its life time. The machine occupies 25% of total area. The foreman devotes $1/6^{th}$ of his time for the machine.

Q5. **a.** What is Time Keeping? Explain the need of recording attendance time. **(8)**

b. Distinguish between Cost Accounting and Financial Accounting. **(7)**

OR

Q5. **c.** **Write Short Notes (Any 3)** **(15)**

1. Objectives of Cost Accounting
2. Idle Time Period
3. Material Control
4. Piece Rate System
5. Labour Turnover