

4 SEM TDC COAC 1 (G/S) (N/O)**2017****(May)**Qvp 1568c (134)
01/09/2017**COMMERCE****(General/Speciality)****Course : 401****(Cost Accounting)****Time : 3 hours***The figures in the margin indicate full marks
for the questions***(New Course)**Full Marks : 80Pass Marks : 24**1. (a) Fill in the blanks :****1×4=4**

(i) Cost which can be charged to a particular unit of cost is considered as ____.

(ii) Reorder quantity may be measured in ____.



(2)

(iii) Under the Rowan plan _____ is a fixed percentage.

(iv) The basis of apportionment for indirect wages is _____.

(b) Choose and write the correct answer : $1 \times 4 = 4$

(i) In a printing industry, job costing/process costing is applied.

(ii) The sum of direct material cost and direct labour cost is termed as prime cost/overhead.

(iii) Tender form is issued by the purchasing department/production department.

(iv) Vacation pay for factory workers should be charged to factory overhead/direct labour.

2. Write on the following (any four) :

(a) Statement of cost and profit

(b) Inventory control

(c) Causes of labour turnover

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(Continued)

(3)

(d) Allocation, apportionment and absorption of overhead

(e) Five reasons for disagreement of profit as shown by the Cost Accounting and Financial Accounting

3. (a) Following information are related to a product for the year ended on 31st March, 2016 :

C A

Stock on 1st April, 2015 :

Raw materials	10,000
Finished products (2000 tons)	8,000

Stock on 31st March, 2016 :

Raw materials	11,120
Finished products (4000 tons)	16,000
Raw material purchased	60,000
Direct wages	50,000
Rent, rates and taxes of works	20,000
Carriage inwards	720

Work-in-progress on 1st April, 2015 2,400

Work-in-progress on 31st March, 2016 8,000

Cost of factory supervision 4,000

Sales of finished goods 1,50,000

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(Turn Over)

Advertisement and selling expenses amount to 0.25 paise per ton sold. 32000 tons were produced during the year.

Prepare a cost sheet showing (i) the value of raw materials used, (ii) cost of production for the year, (iii) cost of goods sold, (iv) the net profit for the year and (v) the net profit per ton of the product. 14

Or

(b) What do you understand by cost classification? Discuss the various bases of classification of costs and various types of costs. 14

4. (a) A worker takes 80 hours to do a job for which the time allowed is 100 hours. His daily rate is ₹ 2.50 per hour. Calculate the work cost of the job under the following methods of payment of wages and statement of works cost : 14

- (i) Time rate
- (ii) Halsey plan
- (iii) Rowan plan

Additional Information :

- (1) Material cost—₹ 120
- (2) Factory overhead 125% of wages

Or

(b) What do you mean by perpetual inventory system? How does it differ from ABC analysis? State the advantages of ABC analysis. 14

5. (a) From the following particulars, compute a comprehensive machine hour rate : 14

- (i) Cost of machine—₹ 1,00,000; Estimated life—15 years; Residual value—₹ 10,000
- (ii) Machine running hours—2040 hours per machine per annum including idle time of 40 hours due to repairs and maintenance and breakdown of machine
- (iii) Power consumption of the machine per hour—20 units; Rate of power per 100 units—₹ 80
- (iv) There are two operators in the shop and wages of an operator who is in charge of two machines ₹ 12,000 p.a.
- (v) Rent, rates and taxes of the shop ₹ 4,800 p.a.
- (vi) Insurance premium for the machine ₹ 400 per quarter
- (vii) General lighting per month—₹ 600

- (viii) Repairs and maintenance expenses per month ₹ 400 per machine
 (ix) Shop supervisor's salary per month—₹ 1,500
 (x) Other factory overhead allocated to the shop ₹ 6,000 p.a.

There are four identical machines in the shop. The supervisor devotes $\frac{1}{5}$ th of his time for supervising the machine.

Or

- (b) Explain the following :

7+7=14

- (i) Various methods of determining overhead rate
 (ii) Various bases of apportionment of overheads to departments

6. (a) From the following information, prepare a Reconciliation Statement :

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Profit as per cost accounts	₹
Works overheads underrecovered	1,45,500
Administrative overheads underrecovered	9,500
Selling overheads overrecovered	22,750
Overvaluation of opening stock in cost accounts	19,500
Overvaluation of closing stock in cost accounts	15,000
	7,500

(Continued)

	₹
Interest earned during the year	3,750
Rent received during the year	27,000
Bad debts written-off during the year	9,000
Preliminary expenses written-off during the year	18,000

Or

- (b) (i) How does job costing differ from process costing?

- (ii) What do you mean by normal loss, abnormal loss and abnormal gain in process costing? How are they treated in Process Accounts? 7+7=14