(Please write your Exam Roll No.) Exam Roll No. 005

END TERM EXAMINATION

SECOND SEMESTER [B. COM] MAY-JUNE 2018

Paper Code: BCOM-108 **Subject: Cost Accounting (Batch 2017)**

Time: 3 Hours **Maximum Marks: 75**

Note: Attempt any five questions. All questions carry equal marks.

Q1 "Cost accounting is becoming more and more relevant in the emerging economic scenario in India". Comment.

Q2 You are given the following information by a company related to the first week of March 2011:

Days	Receipts		Issues
	Units	Rate (Rs./unit)	Units
1st	40	15.00	-
2nd	20	16.50	-
3rd	-	-	30
4th	50	17.10	-
5th	-	-	20
6th	-	-	40

Calculate the cost of materials issued under:

(a) FIFO Methods;
(b) LIFO Method;
(c) Weighted Average Method of issue of materials and value of closing stock under the methods aforesaid.

Q3 What earning will a worker receive under the following incentives schemes if he executes a piece of work in 120 hours as against 150 hours allowed to him. His hourly wage rate is Rs. 0.25 and he gets a dearness allowance of Rs. 1 per day of 8 hours worked in addition to wages:

(a) Halsey Premium Plan
(b) Rowan Premium Plan
(c) Emerson Efficiency Plan.

Q4 The following particulars relate to a manufacturing company which has three production departments A, B and C and the two service departments X and Y.

Particulars	Departments				
	A (Rs.)	B(Rs.)	C (Rs.)	X (Rs.)	Y (Rs.)
Total Overheads as per Primary distribution	6,300	7,400	2,800	4,500	2,000

The percentage for changing service overheads are as follows:-

Service Department	A	B	C	X	Y
X	30%	30%	20%	-	20%
Y	40%	30%	20%	10%	-

Find out the total overheads of production departments charging service departments cost to production departments on simultaneous equation method.

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Q5 From the following information prepare a monthly cost sheet of the Sand-lime Brick Works, showing cost and profit per 'S' bricks.

Material used:

Lime:	895 tonnes at Rs. 500 per tonne
Coal:	820 tonnes at Rs. 300 per tonne
Sand:	Rs. 15 per 'S' bricks made
Stores:	Rs. 1,46,500

Labour:

Sand digging and running		Rs. 1,00,000
Bricks making		Rs. 4,00,000
Factory Overheads	:	25% on direct charges
Office overheads	:	10% on direct charges
Bricks sold	:	3,500 'S' at Rs. 550 per 'S'
Opening Stock of Bricks	:	100 'S'
Closing Stock of Bricks	:	600 'S'

Q6 A product passes through three processes known as process I, II and III. The output each process is treated as raw material for the next process, and the output of the third process is treated as Finished Product and transferred to Stock.

	Processes		
	I	II	III
Material Issued (Rs.)	40,000	20,000	10,000
Labour (Rs.)	6,000	4,000	1,000
Manufacturing Overheads (Rs.)	10,000	10,000	15,000
Output (units)	9,750	9,400	8,000
Normal Loss of Input	2%	5%	10%

10,000 units were issued to process I in the beginning. No stock of materials or WIP was left at the end. Calculate the cost of finished product.

Q7 A contractor commenced a contract on 1st July 2009 and the contractor provides the following information on 31st March 2010.

Particulars	Rs.
Material	42,000
Labour	1,02,000
Other charges	12,500
Administrative Expenses	25,500
Material in hand	4,400

A machine costing Rs. 36,000 had been on site for 6 months. The working life of machinery is estimated six years and the scrap value at Rs. 6,000. A supervisor who is paid Rs. 21,600 per year has spent ½ (one half) of his time on the contract. The contract price was Rs. 4,00,000 and on 31st March 2010 the 2/3rd of the contract was completed. Cash received Rs. 1,50,000 being 75% of work certified. Prepare Contract A/c and Work in progress A/c.

Q8 What is Job Costing? Explain its characteristics and accounting procedure. How does Job Costing differ from Contract Costing?

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