

**Q1. (A) State whether True or False: (Any Eight)**

(8)

1. Direct Material is an indirect cost.
2. Lubricants are direct material.
3. Depreciation is book cost.
4. Transfer to General Reserve is an item of cost accounts.
5. Prime cost includes factory overheads.
6. Cost sheet shows total cost and cost per unit.
7. Waste having realisable value is called as scrap.
8. EOQ is also called as re-order quantity.
9. Stock levels are fixed up for inventory control.
10. FIFO method of pricing of materials results in higher profits.

**Q1. (B) Match the following. (Any Seven)**

(7)

Group A		Group B
1.	Prime Cost	A. Movement of Materials
2.	Profit	B. Prime cost plus Factory expenses
3.	Casual Workers	C. Replace the absentees
4.	Factory Cost	D. Sales - Cost
5.	Store ledger	E. Direct Cost
6.	FIFO	F. Floor area occupied
7.	Weighted Average Method	G. First In First Out
8.	Purchase Requisition	H. Evidence of delivery material
9.	Delivery Challan	I. Requirement of Material
10.	Clock Card	J. Fixed at the entrance

**Q2. A) Mr. Rajendra furnishes the following data related to the manufacturing of X standard product during the month of April 2018.**

(15)

Raw Material Consumed	Rs. 15000
Direct labour charges	Rs. 9000
Machine Hours worked	900
Machine Hour Rate	Rs. 5
Administrative Expenses	20% on work cost
Selling overheads	Rs. 0.50 per unit
Unit Produced	17100
Unit Sold	16000 at Rs. 4 per unit

You are required to prepare a cost sheet from the above showing: cost per unit and profit per unit sold.

**OR****Q2. B) From the following prepare a cost statement showing cost of goods manufactured and sold. (15)**

The books and records of Anand manufacturing company present the following data for the month of August 2018:

Direct Labour cost	Rs. 16000 (160% of factory overheads)
Cost of goods sold	Rs. 56000
Other Data:	
- Selling Expenses	Rs. 3400
- General Expenses	Rs. 2600
- Sales for the month	Rs. 75000



Inventory accounts give opening and closing balance:

Particulars	1 <sup>st</sup> August (Rs.)	31 <sup>st</sup> August (Rs.)
Raw Materials	8000	8600
Work-in-Progress	8000	12000
Finished Goods	14000	18000

Q3. A) From the following particulars, prepare a stock record by FIFO and Weighted Average Method. (15)

Date	Transaction	Units	Rate
04-1-2018	Purchase	80	
17-1-2018	Purchase	120	30
20-1-2018	Sale	100	28
22-1-2018	Purchase	160	35
25-1-2018	Sale	160	29
28-1-2018	Sale	40	33
30-1-2018	Purchase	200	34
31-1-2018	Sale	180	26
			35

The stock on hand on 1st January, 2018 was 100 units @ Rs. 25 each.

OR

Q3. A) Calculate total earning of two workers under Halsey Premium Plan and Rowan Premium Plan from the following particulars: (8)

Standard Time allowed: 150 hours

Rate of Wages: Rs. 2 per hour

Actual Time Taken: Workers A- 135 hours. Workers B- 90 hours

Q3. B) Calculate earnings of a worker under Halsey premium plan and Rowan premium plan for executing a piece of work in 40 hours as against 50 hours allowed. His hourly rate is 25 paise per hour and under Halsey system he's to be paid a bonus of 50% on time saved. In addition he gets a Dearness allowance of Re. 1 per day of 8 hours work. (7)

Q4. A) Prem Ltd. has five departments. M, N, O, P and Q. The expenses incurred during the month of March, 2017 are as follows. (15)

Expenses	Amount (Rs.)
Rent	50,000
Repairs to Plant	35,000
Depreciation on Plant	23,940
Supervision	79,996
Insurance on Stocks	32,000
Recreation	11,984
Lighting	36,000

The following data are also available in respect of the five departments

Particulars	Departments				
	M	N	O	P	Q
Area (in Sq. Ft.)	1400	1200	1100	900	400
No. of Workers	25	20	10	10	5
Direct Wages (Rs)	10,000	8,000	5,000	5,000	2,000
Value of Plant (Rs)	20,000	18,000	16,000	10,000	6,000



Value of Stock (Rs)	15,000	10,000	5,000	2,000	---
No. of Light Points	14	12	11	9	4

Prepare a Statement showing Primary Distribution of Overhead.

OR

**Q4. B)** A Company has Five production departments namely A, B, C, D and E. The expenses incurred during the month of Dec 2018 are as follows: (15)

Expenses	Amount (Rs.)
Supervision	300,000
Fire Insurance on stock	100,000
Motive Power	180,000
Electric Lighting	60,000
Rent and taxes	100,000
Repairs and Maintenance	170,000
Depreciation on Plant	85,000

The following formation is also available for above departments:

Particulars	Departments				
	A	B	C	D	E
Floor space (Sq. ft.)	1500	1000	900	500	100
No. of workers	200	100	100	150	50
H.P. of Machine	80	50	20	----	----
Direct Wages (Rs)	30,000	20,000	20,000	10,000	10,000
Value of Plant (Rs)	120,000	90,000	60,000	30,000	40,000
Value of Stock (Rs)	1,50,000	90,000	60,000	----	----
Light Points	40	20	20	10	10

Prepare a Statement showing Primary Distribution of Overheads.

**Q5. (A)** What is a cost sheet? What are the purposes of cost sheet? (8)

**Q5. (B)** Distinguish between Cost Allocation and Cost Apportionment. (7)

OR

**Q5. Write short notes on: (Any Three)** (15)

1. Halsey Plan
2. Fixed Cost
3. Labour Hour Rate
4. Rowan Plan
5. Factors affecting wages.