

- Note : i) Q.1. and Q.2. are compulsory.  
 ii) Attempt Q.3. or Q.4. and Q.5. or Q.6.  
 iii) All questions carries 15 marks each.

Q. 1 From the following particulars, prepare Cost statement showing the component of Total Cost and the profit for the year ended 31st December, 2008.

Particulars	On 01-01-2008 Rs.	On 31-12-2008 Rs.
Stock of Finished Goods	6,000	15,000
Stock of Raw Materials	40,000	50,000
Work in Progress	15,000	10,000

Particulars	Rs.	Particulars	Rs.
Purchase of Raw Materials	4,75,000	Sales for the year	8,60,000
Carriage Inward	12,500	Income Tax	500
Wages	1,75,000	Dividend	1,000
Works Manager's Salary	30,000	Debenture Interest	5,000
Factory Employee's Salaries	60,000	Transfer to Sinking Fund for replacement of Machinery	10,000
Factory Rent, Taxes and Insurance	7,250	Goodwill written off	10,000
Power Expenses	9,500	Payment of Sales Tax	16,000
Other Production Expenses	43,000		
General Expenses	35,500		

Q.2. A) Classify the following expenses on the basis of Tracibility.

- 1) Sugarcane in sugar manufacturing company.
- 2) Free Sample of Product.
- 3) Wages to worker manufacturing Electric Iron.
- 4) Printing and Stationery.
- 5) Supervisors salary.

B) Classify the following expenses on the basis of Behaviour

- 1) Primary Packing
- 2) Salary to General Manager
- 3) Audit Fees
- 4) Fruits in fruit drinks making company
- 5) Direct Expenses

(P.T.O.)



C) Classify the following expenses on the basis of Functions.

- 1) Sales Commission
- 2) Postage and Telegram
- 3) Exhibition expenses
- 4) Lighting and Heating
- 5) Depreciation on Furniture

Q.3. Prepare a Stores Ledger Account for 2012 from the following transactions using

- 1) FIFO Method
- 2) Average Method

Date	Transaction
January 2	Opening stock 200 units @3 per unit
January 5	Purchased 2000 units @4 per unit
January 25	Purchased 250 units @5 per unit
February 5	Issued 1000 units
February 10	Purchased 3000 units @6 per unit
February 12	Issued 2000 units
March 2	Issued 500 units
March 15	Issued 1000 units
March 25	Purchased 2250 units @5 per unit
March 20	Issued 1500 units

OR

Q.4. What is Time Keeping and explain importance of Time Keeping.

Q.5. From the following information work out the production hour rate of recovery of overheads in Dept. A, B and C using repeated distribution method.

Particulars	Purchase Dept.			Service Dept.	
	A	B	C	D	E
Rent	2,000	4,000	1,200	1,200	1,000
Electricity	500	800	480	200	200
Fire Insurance	800	1,600	600	600	400
Plant Depreciation	5,000	7,500	5,000	1,500	1,000
Transport	250	250	250	500	750
Estimated Working Hours	1,000	2,500	1,800	---	---



Expenses of service department D and E are apportioned under

	A	B	C	D	E
D	30%	40%	20%	---	10%
E	10%	20%	50%	20%	---

OR

Q.6. A) Calculate :

- 1) Maximum Level
- 2) Minimum Level
- 3) Re-order Level
- 4) Average Stock Level

Two components A and B are used as follows :

Normal Usage	:	900 units per week each
Maximum Usage	:	1350 units per week each
Minimum Usage	:	450 units per week each
Re-order Quantity	:	A : 7200 units B : 10,800 units
Re-order period for	:	A : 4 to 6 weeks B : 2 to 4 weeks

B) What bases would be used for apportioning the following expenses to department.

- 1) Rent
- 2) Advertisement
- 3) Purchase Department Expenses
- 4) Personal Department Expenses
- 5) Delivery Expenses

— THE END —