CES COLLEGE OF ARTS AND COMMERCE CUNCOLIM SALCETE GOA
FYBCOM IInd (Old Course) SEMESTER END EXAMINATION, APRIL 2018
FOUNDATION GROUP: COST ACCOUNTING

Marks: 80 | Duration: 2hrs

Date: 26/04/2018 | Time: 10.00.a.m. to 12.00 noon

Instructions: 1) Q.No. 1 is compulsory.
2) Attempt any three from Q.No.2 to Q.No.6.
3) Figures to the right indicate full marks.

Q.1. ABC ltd. has three production departments A, B, and C and two Service departments D and E. The following figures are extracted from the records at the Company:- (20)

	Rs.		Rs.
Rent and Taxes	5000	General Lighting	600
Indirect Wages	1500	Power	1500
Depreciation of Machinery	10000	Sundries	10000

The Following further details are available:-

	A	B	C	D	E
Floor Space (Sq.ft)	2000	2500	3000	2000	500
Light Points	10	15	20	10	5
Direct Wages (Rs.)	3000	2000	3000	1500	500
H.P of Machines	60	30	50	10	---
Value of Machines	60000	80000	100000	5000	5000
Working Hours	5000	4000	3000	---	---

Prepare a Statement of primary distribution summary of overhead.

Q.2.a) From the following information given below, calculate earnings of a worker under Halsey Premium plan and Rowan Premium plan for executing a piece of work: (15)
1) Standard time allowed – 48 hours
2) Actual time taken – 36 hours
3) Wage rate – Rs. 50/- per hour
4) Dearness Allowance Rs.30/- per day of 8 hours.

b) What are the essentials of a sound wage system? (05)

Q.3.a) The following cost data are extracted from the books of CD ltd. for the month of March 2018. (15)

	Rs.
Direct Material	10000
Direct Wages	5000
Direct Expanses	1000
Factory Overhead	6500
Administrative Overhead	3480

Number of units manufactured – 100 (units)
If profit of 25% on sales is to be realized, what would be the selling price of each unit of the commodity?

b) What are the objectives of cost sheet? (05)

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Q.4. Calculate Machine hour rate for Machine A from the following data:- (20)

1. Cost of Machine Rs. 16,000/-
2. Estimated scrap value Rs.1,000/-
3. Effective working life 10,000 hours.
4. Running time per four weekly period 160 hours.
5. Average cost of repairs and maintenance charges per four weekly period Rs. 120/-
6. Standing charges allocated to Machine A for four weekly period Rs.40/-
7. Power used of Machine 4 units per hour @ 50 paise per hour.

Q.5. In a workshop the following scheme of wage payment is in operation. (20)

1. Basic wage Rs.400/- per day.
2. Standard output 40 units per day of 8 hours.
3. Premium bonus rated on efficiency as given below.

Calculate earnings of following workers if their production is particular day was:

Worker	Production(Unit)
A	60
B	50
C	35

Q.6.a) The following is the budget of Supreme industries for the year. (15)

Factory overhead Rs.5,600/-
Direct Material Cost Rs.84,000/-
Direct Labour Cost Rs.1,12,000/-
Direct Labour hours 28,000 hours.
Machine Hours 56,000 hours.

From the above figures, prepare the overhead absorption rate using the following methods:-

a) Direct Material Cost method.
b) Direct Labour Cost method.
c) Direct Labour hour rate.
d) Machine hour rate.

b) What do you mean by departmentalization? (05)

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