

PRABODHAN EDUCATION SOCIETY'S
VIDYA PRABODHINI COLLEGE OF COMMERCE, EDUCATION,
COMPUTER AND MANAGEMENT, VIDYANAGAR, PARVARI, GOA.

F.Y.B.COM SEMESTER END EXAMINATION

APRIL 2018 (REGULAR/REPEAT)

SUB: Cost Accounting (Old course)

SEMESTER: II

CLASS: F.Y.B.Com DURATION: 2 Hours

MAX. MARKS: 80

- Instructions:**
- i) Question No. 1 is compulsory
 - ii) Answer any **THREE** questions from Q.No. 2 to Q.No. 6
 - iii) Figures to the right indicate marks
 - iv) Working notes form a part of an answer
 - v) Answer each main question on a fresh page

Q1. The following data was extracted from the books of Kunal engineering company for the year ended 31th March 2016. Prepare a Departmental Distribution Summary.

(20)

Particulars	Production department			Service department	
	A	B	C	X	Y
Direct Wages (₹)	14,000	12,000	10,000	2,000	2,000
Employees (No.)	800	600	600	200	200
Electricity (KWH)	16,000	12,000	12,000	4,000	6,000
Light points (No.)	20	15	10	5	5
Asset values (₹)	1,00,000	60,000	40,000	20,000	20,000
Area occupied (Sq. Ft.)	1,600	1,200	1,200	400	400

The overhead for the 6 months were as under

Indirect cost	Amount (₹)
Indirect wages	40,000
Motive Power	3,000
Lighting	440
Labour welfare	6,000
Depreciation	12,600
General overhead	1200

Q2. From the following particulars you are required to work out the earnings of a worker

(20)

- Straight piece rate
- Differential piece rate
- Halsey premium plan
- Rowan plan

Number of working hours	72 hours
Hourly wage rate	₹ 8
Piece rate per unit	₹ 9
Normal time taken per piece	20 minutes
Normal output per week	200 pieces
Actual output per week	240 pieces

Differentials to be applied – 80% of piece rate when the output is below standard and 120% of piece rate when output above standard.

Q3.

i) Calculate the labour cost per hour from the following information for the month of January 2014

(15)

Basic Wages (₹)	5,000
Dearness allowance	60% of basic wages
Employers contribution to - Provident Fund - E.S.I.	12% of basic wages and D.A. 6% of basic wages and D.A.
Employees contribution to - Provident Fund - E.S.I.	3% of basic wages and D.A. 2% of basic wages and D.A.
City compensatory allowance (₹)	800
Travelling allowance (₹)	500
Overtime wages (₹)	400
Expenditure on amenities	130 per head per month
Number of working hours	200 hours per month

ii) Explain the causes of labour turnover.

(5)

Q4) From the following particulars prepare cost sheet showing Prime Cost, Factory Cost, Office Cost, Cost of Sales for the year ended 31st March 2017. (20)

Particulars	(₹)	Particulars	(₹)
Stock on 1-4-2016		Depreciation on office furniture	12,500
Raw materials	50,000	commission of salesman	8,000
Work-In-Progress	45,000	Depreciation on plant	4,300
Finished stock	30,000	General expenses	3,500
Purchase of raw materials	5,20,000	Office salaries	12,000
Excise duty	2,500	Unproductive wages	8,000
Director fees	1,000	Indirect Labour	4,500
Packing expenses	2,000	Transfer to general reserves	9,000
Power	3,100	Manager salary	17,000
Advertisements	20,500	Income tax	7,000
Direct wages	15,000	Rent	9,000
Warehouse charges	3,000	Stock as on 31-3-2017	
Stationery	2,500	Raw materials	40,000
Sales manager salary	4,200	Work-In-Progress	20,000
Dividend	9,000	Finished stock	10,000

Additional information

1. Manager salary to be distributed equally to factory and office.
2. 50% of the stationery to be charged to the factory.
3. 1/3 of the rent to be charged to office and 2/3 of the rent to be charged to the factory.

Q5. Calculate the machine hour rate for the machine from the following information
A machine was purchased on 1st January for ₹ 10,00,000. The following particulars are further available: (20)

Installation charges incurred is ₹ 10,000

Expected life of the machine is 20 years

Scrap value at the end of 10th year is 10,000

Repairs and maintenance for the machine during the year ₹ 4000

Expected number of working hours of machine is 8,000 hours per annum

Annual insurance premium paid for the machine ₹ 6,464.

Power consumption for the machine is 50 units.

Rate of power is ₹ 20 per 100 units

Area occupied by the machine is 20%

Salary of attendant ₹ 1,200 per month. He devotes 1/5 of his time for the machine

Rent for four months for the machine is ₹ 1,600

Consumable stores ₹ 2,000 per year

Lighting charges for 20 points for the whole department, out of which 3 points are used for the machine ₹ 240 per month.

Q6. Write short notes on **ANY FOUR** of the following. (4X5=20)

- i) Step distribution method
- ii) Group incentive plan.
- iii) Classification of overhead.
- iv) Methods of Time keeping.
- v) Effects of Labour turnover.
- vi) Methods of absorption.