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[2/A-8]

SEAT No. \_\_\_\_\_

No. of Printed Pages : 4

**SARDAR PATEL UNIVERSITY**  
**BBA (GEN) Semester - IV Examination**

**Cost Accounting**  
**UMO4CBBA04**

**11<sup>st</sup> April, 2018, Wednesday**  
**10:00 To 12:00**

Total Marks: 60

**Que.1****(15 Marks)**

Explain the Meaning & Advantages of Cost Accounting? How it is differ from financial accounting?

**OR****Que.1****(15 Marks)**

Explain Cost Classification in detail.

**Que.2 (A)****(08 Marks)**

From the following information calculate: (1) Economic Order Quantity, (2) Ordering Level, (3) Minimum Level, (4) Maximum Level

Annual Consumption	5625 units
Per unit Cost	Rs.10
Ordering Cost	Rs.200 per order
Carrying cost	10% of cost
Average Consumption per week	70 Units
Maximum Consumption Per week	100 Units
Ordering Time	2 to 4 weeks

**Que.2 (B)****(07 Marks)**

Write note on: ABC Analysis for Inventory Control

**OR****Que.2 (A)****(07 Marks)**

Explain meaning and causes of Labour Turnover.

**Que.2 (B)****(08 Marks)**

In a factory there are three workers Mr.A, Mr.B and Mr.C following information is available about their work during the month of March, 2018.

Particulars	Mr.A	Mr.B	Mr.C
Time Allowed	200 Hrs.	220 Hrs.	240 Hrs.
Standard Production	160 Units	110 Units	200 Units
Wage Rate per Hr.	Rs.30	Rs.20	Rs.25
Actual Production	180 Units	125 Units	195 Units

[P.T.O] (1)

You are required to calculate total earning of all three workers for the month of March, 2018 as per:-

- (1) Halsey Plan
- (2) Rowan Plan

**Que.3**

**(15 Marks)**

In the factory of Kamal Ltd. there are three production department A, B and C and two service department D and E. The details of the expenses during March, 2018 are as under.

Power	36,000
Depreciation of Machine	29,700
Rent	20,000

Particular	A	B	C	D	E
Cost of machine (Rs.)	72,000	48,000	36,000	1,200	1,200
Horse power of machine	4	6	2	-	-
Space occupied sq. ft.	600	400	500	300	200

The benefit of service department D and E is derived by the other departments in the following proportion.

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

Prepare a statement showing:

- (1) Distribution of overhead to various departments.
- (2) Distribution of expenses of service department to production departments as per repeated redistribution method.

**OR**

**Que.3 (A)**

**(09Marks)**

In a manufacturing firm, there are three production and two service departments, overheads and the percentage of benefit derived of service departments are given below.

Particulars	Production department			Service department	
	A	B	C	X	Y
Total over heads	30,000	20,000	15,000	4,000	3,000
Benefit from dept. X	40%	20%	30%	-	10%
Benefit from dept. Y	30%	20%	30%	20%	-

Distribute overheads of service departments among production departments by using repeated distribution method.

**Que.3 (B)**

Write Note on: Machine hour Rate

**(06Marks)****Que.4****(15 Marks)**Profit and Loss Account of Sonal Co.. Ltd. ended on 31<sup>st</sup> March 2018 was as under:-

<u>Particulars</u>	<u>Debit Rs.</u>	<u>Particulars</u>	<u>Credit Rs.</u>
Materials consumed	1,37,000	Sales (6000 units)	3,00,000
Wages	75,500	Closing stock of finished Goods(500 Units)	8,000
Factory expenses	41,500		
Office expenses	19,120		
Selling expenses	22,500		
Expenses written off:			
-Goodwill	2,000		
-Pre. expenses	1,000	Rent received	6, 900
Net profit	16,280		
	<u>3,14,900</u>		<u>3,14,900</u>

In cost accounts of company: Factory expenses 20 percent on prime cost, office expenses at the rate of Rs.0-60 per unit produced and selling expenses at the rate of Rs.0-80 per unit sold are recovered.

Find out profit by preparing cost sheet and prepare reconciliation statement to compare it with profit as per financial accounts.

**OR****Que.4****(15 Marks)**

Choti Ltd. produced 10,000 units and sold 10,500 units @ Rs.40 per unit during the years 2017. Company provides you following Information.

**Stock as on 1<sup>st</sup> January, 2017**

Work in process Rs.16,000

Finished Goods 1,000 units @ Rs.24 per unit

**Stock as on 31<sup>st</sup> December, 2017**

Work in process Rs.20,000

Finished Goods ?

[P.T.O.]

(3)

**Transactions during the year 2017**

Material consumed 2 kg per unit @ Rs.5 per kg

Direct wages 2 hrs. Per unit @ Rs.3 per hour

Carriage Inward Rs.15, 000

Carriage Outward Rs. 7,000

Telephone Expenses Rs. 10,000

Sales Commission Rs.2 per unit

Factory Rent Rs.6, 000

Depreciation on machinery Rs.10, 000

Office Salary Rs.20, 000

Indirect Wages Rs.10, 000

Advertisement expenses Rs.5, 000

Salary to supervisor Rs.24, 000

Administrative Expenses Rs.20, 000

**You are required to find out per unit cost and profit.**


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