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## C.U.SHAH UNIVERSITY

## Winter Examination-2018

## Subject Name : Cost Accounting-I

Subject Code : 4CO05CAC2

Branch:B.Com (English)

Semester :5
Date : 05/12/2018
Time : 10:30 To 01:30
Marks : 70

Instructions:
(1) Use of Programmable calculator \& any other electronic instrument is prohibited.
(2) Instructions written on main answer book are strictly to be obeyed.
(3) Draw neat diagrams and figures (if necessary) at right places.
(4) Assume suitable data if needed.

## Q-1 <br> Attempt the following questions:

a) Which one of the following is not a costing method ?
A) Marginal costing
C) Batch costing
B) Job costing
D) Contract costing
b) Telephone bill is include in which of the following expenses?
A) Fixed expenses
C) Semi - variable expenses
B) Variable expenses
D) None of the above
c) In which of the following enterprises "Operating costing" is not applicable?
A) Transport Companies
C) Oil refineries
B) Hotel
D) Hospital
d) Which one of the following is a "Product Cost"?
A) Office staff salary
C) Interest on loan
B) Advertising
D) Indirect materials
e) If Bi-monthly consumption is 500 units, how many units should be taken in the formula of EOQ ?
A) 3000 units
B) 6000 units
C) 500 units
D) 2000 units
f) In which method stock consists of first purchase ?
A) LIFO method
C) Weighted Average Method
B) FIFO method
D) Standard Price Method
g) In which method goods remain in the stock of last purchase?
A) LIFO method
C) Weighted Average method
B) FIFO method
D) Fixed Price method
h) Which one of the following is not considered an Incentive wage system?
A) Halsey Plan
C) Group bonus or profit sharing plan
B) Rowan Plan
D) Piece wage system with minimum guaranted wages
i) Out of the following which wage system is included in group incentive wage system?
A) Time rate system
C) Profit sharing
B) Halsey Plan
D) Piece rate system
j) In the cost accounts, delivery van expenses are included in ...
A) Factory cost
C) Selling cost
B) Administrative cost
D) None of the above
k) Staff welfare expenses are apportioned on the basis of ....
A) Direct wages
C) Working hours
B) Number of workers
D) None of these
I) As per contract accounts, Uncertified work means....
A) Work in progress
C) Work not certified
B) Work without permission
D) Finished stock
m) Contract Costing is mostly used in --
A) Job
C) Construction
B) Service
D) Batch
n) What it is called when variable and fixed cost is included in cost accounts?
A) Absorption costing
C) Marginal costing
B) Historical costing
D) Standard Costing

Attempt any four questions from $\mathbf{Q}-2$ to $\mathbf{Q - 8}$

Q-5 Attempt all questions
(A) Standard time fixed for a job is 100 hours. A worker is paid at Rs. 0.75 per hour.

The actual time taken to complete the job is 80 hours.
Calculate (1) Time wage (2) Piece wage
(B) Shakti Undertook a contract on 1-10-2017 for building a room for Rs. 50,000.

The particular of expenses etc.. relating to the contract up to $31^{\text {st }}$ December, 2017 were as under :
Rs.
Materials sent on site $\quad 18,000$
Machinery purchased for the contract
Wages paid ..... 15,000
Direct expenses paid ..... 1,000
Indirect expenses allocated ..... 500
Material returned to stores ..... 1,000
Machinery costing Rs. 1000 sold
During November, 2017 for ..... 900
Work certified ..... 40,000
Cash received 35,000
Work completed but not certified ..... 5,000
Materials on site on 31-12-2017 ..... 300
Machinery on site on 31-12-2017 ..... 1,500
Unpaid wages on 31-12-2017 500$2 / 3$ of the profit of the contract on the basis of cash received is to be transferred toP \& L account.
Q-6(A) Workman ' A ' was allowed 72 hours to complete a job on daily time wages and(14)(7)completed the job in actual 48 hours. His time wages is Rs. 7 per hour.Material cost of a product is Rs. 100 and factory overheads are recovered at $50 \%$of Prime cost.
Calculate the Factory cost of product under
(1) Halsey wage plan (2) Rowan wage Plan
(B) From the following details, Calculate labour turnover rate under :
(1) Separation method (2) Replacement method (3) Flux method
No.of employees at the beginning of the year ..... 2000
No.of employees at the end of the year ..... 1500
No.of employees resigned ..... 150
No.of employees discharged ..... 100
No.of employees replaced ..... 250( of which 50 workers taken under expansion plan )
Q-7 Attempt all questions
(A) Explain work certified and uncertified.(14)
(B) State general principles for over heads.(7)(14)
Pruthvi Enterprise Ltd. Has three production departments A,B,C and two service departments D and E . The following figures are extracted from the records of the company. Rs.
(1) Rent ..... 5000
(2) General lighting ..... 600
(3) Indirect wages ..... 3000
(4) Power ..... 1500
(5) Depreciation of machinery ..... 5000
(6) Sundries ..... 10000
The following further details are available :

| Total | A B | C | D | E |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| (1) Floor space (sq.ft) | 10000 | 2000 | 2500 | 3000 | 2000 | 500 |
| (2) Light points | 60 | 10 | 15 | 20 | 10 | 5 |
| (3) Direct wages (Rs.) | 10000 | 3000 | 2000 | 3000 | 1500 | 500 |
| (4) H.P of Machines | 150 | 60 | 30 | 50 | 10 | - |
| (5) Value of Machinery (Rs.) | 1,25,000 | 30000 | 40000 | 50000 | 2500 | 2500 |

The expenses of $D$ and $E$ are allocated as follows:

| A | B | C | D | E |
| :--- | :---: | :---: | :---: | :---: |
| D20\% | $30 \%$ | $40 \%$ | - | $10 \%$ |
| E30\% | $40 \%$ | $20 \%$ | $10 \%$ | - |

