

12. a) Material 'A' is used as follows:

Maximum Usage in a month – 600 units
 Minimum Usage in a month – 400 units
 Average Usage in a month – 450 units
 Reorder Period : Maximum – 6 Months, Minimum – 2 Months
 Reorder Quantity – 1,500 units
 Maximum Reorder period for emergency purchases – 1 Month
 Calculate (i) Reorder Level, (ii) Maximum Level, (iii) Minimum Level, (iv) Average Stock Level, (v) Danger Level.

(OR)

b) From the following particulars, prepare store ledger by adopting First in First out Method.

| Date | Receipts |
|-------------|---------------------------------------|
| 2010 Jan. 1 | Purchased 300 units at Rs. 2 per unit |
| 2 | Purchased 600 units at Rs. 3 per unit |
| 5 | Issued 400 units |
| 8 | Issued 200 units |
| 10 | Purchased 600 units at Rs.5 per unit |
| 12 | Issued 400 units |

13. a) From the following particulars find the amount required for cash payment of wages in a factory for a particular month:

Wages for normal hours worked – Rs. 2,00,000
 Wages for overtime worked – Rs. 5,000
 Leave Wages – Rs. 4,000
 Deduction for Employees State Insurance Scheme – Rs. 3,000
 Employees' Contribution to Provident Fund – Rs. 2,000
 House Rent to be recovered from 20 employees at Rs. 50 per month. Employer also contributes an equal amount towards ESI and PF.

(OR)

b) Calculate the labour cost for the month of July 2010 relating to a workman from the following:

Basic pay Rs.200 per mensem
 DA – Rs.150 per mensem
 Employer's contribution to State Insurance 6% of Basic and DA.
 Fringe Benefits Rs. 100 per mensem
 Employer's contribution to Provident 5% of Basic and DA.
 Employee's Contribution to State Insurance and Provident Fund is equal to that of Employer.

14. a) Prepare Process Accounts from the following details:

| Particulars | I (Rs.) | II (Rs.) |
|-------------------|---------|----------|
| Material | 40,000 | 6,000 |
| Labour | 15,000 | 16,000 |
| Expenses (Direct) | 5,000 | 3,000 |

Production Overhead Rs. 60,000 to be allocated to Process I and II on the basis of 150% of Direct Wages. Production during the period 2,000 units.

(OR)

b) Prepare a Process Account from the following along with Abnormal Loss Account.

Material issued to Process 1000 kgs at Rs.200 each; Wages – Rs.1,40,000 and Overhead – Rs.20,000. Normal Loss 10% of Input. Actual Output 800 Kgs.

15. a) From the following details, compute the overhead rate to be charged on the basis of the direct labour rate to Job No.707 and determine the total cost and selling price:

Material used – Rs. 4,000
 Direct Wages – Rs. 3,000
 Direct Labour Hours – 700 Hours
 Estimated Factory Overheads for the year – Rs. 1,05,000
 Estimated Labour Hours for the year 2,10,000
 Gross Profit Ratio on Sales is 25%.

(OR)

(CONT....3)

b) The following data is available in respect of Job No. 876:

Direct Materials – Rs.17,000

Wages – 160 hours at Rs.50 per hour.

Variable overheads incurred for all jobs – Rs.80,000 for 2000 Labour hours.

Fixed Overheads are absorbed at Rs.20 per hour.

Find the Profit or Loss from the job if the job is billed for Rs.40,000.

SECTION – C

(4 X 10 = 40 MARKS)

ANSWER ANY FOUR OUT OF SIX QUESTIONS

**(16th QUESTION IS COMPULSORY AND ANSWER ANY THREE QUESTIONS
(FROM Qn. No : 17 to 21) (K4 (Or) K5)**

16. Distinguish between Cost Accounting and Financial Accounting.

17. Draw a statement of cost from the following particulars:

| | | |
|-----------------------------------|------------------|----------|
| Opening Stock | Raw materials | 2,00,000 |
| | Finished goods | 5,000 |
| | Work-in-Progress | 60,000 |
| Closing Stock | Raw materials | 1,80,000 |
| | Finished Goods | 15,000 |
| | Work-in-Progress | 50,000 |
| Materials Purchased | | 5,00,000 |
| Direct wages | | 1,50,000 |
| Manufacturing Expenses | | 1,00,000 |
| Sales | | 8,00,000 |
| Selling and Distribution Expenses | | 20,000 |

18. From the particulars given below write up the stores ledger card:

2019 January 1 – Opening Stock – 1,000 units at Rs. 26 each

5 – Purchased 500 units at Rs. 24.50 each

7 – Issued 750 units

10 – Purchased 1,500 units at Rs. 24 each

12 – Issued 1,100 units

15 – Purchased 1,000 units at Rs. 25 each

17 – Issued 500 units

18 – Issued 300 units

25 – Purchased 1,500 units at Rs. 26 each

29 – Issued 1,500 units

Adopt the FIFO Method of Issue and ascertain the value of the closing stock.

19. Calculate the earnings of workers X and Y under (A) Straight Piece Rate System and (B)

Taylor's Differential Piece Rate System from the following details:

Standard time per unit = 12 minutes

Standard rate per hour = Rs.60

Differentials to be used 80% and 120%

In a particular day of 8 hours, worker 'X' produced 30 units and worker 'Y' produced 50 units.

20. Product V requires 3 distinct processes and after the third process the product transferred to the finished stock. You are required to prepare Process Accounts from the following information:

| Particulars | Process I | Process II | Process III |
|-----------------|-----------|------------|-------------|
| Direct Material | 8,000 | 1,200 | 800 |
| Direct Labour | 3,000 | 3,200 | 1,800 |
| Direct Expenses | 1,000 | 600 | -- |

The total production overheads was Rs. 12,000 and it must be allocated to different processes on the basis of 150% of direct wages. Production during the period was 400 units but there is no opening and closing stock.

21. From the data given below, obtained from the books of M/s. Anitha & Co., for the year ended 31st December, 2010, prepare (1) Consolidated Completed Jobs Account showing the profit or loss and (2) Consolidated work in Progress Account.

| Particulars | Completed Jobs (Rs.) | Work-in-progress (Rs.) |
|--|-------------------------|------------------------|
| Raw material supplied from Stores | 9,000 | 3,000 |
| Chargeable Expenses | 1,000 | 400 |
| Wages | 10,000 | 4,000 |
| Material transferred to Work-in-progress | 200 | 200 |
| Material returned to stores | 100 | - |

Factory Overhead is 80% of wages and Office Overhead 25% of factory cost. The value of Executed jobs during 1998 was Rs.41,000.
