

BOLANGIR

Cost Acctg I New

TIME : 2 hrs.

MARKS : 60

- N.B. :** 1) Answer all questions.
2) Figures to the right indicate full marks.

Q.1 Alfa Level Ltd has 3 production departments A, B, C and 2 service departments X & Y. The following data are extracted from the records of the company for a particular given period.

Particulars	Rs.
Power	2200
Lighting	800
Staff welfare	3000
Depreciation	30,000
Repairs	6000
Sundries	12000
Rent	550

Additional data, department wise.

Particulars	A	B	C	x	y
Direct wages (Rs.)	60,000	90,000	1,20,000	30,000	60,000
No. of employees	150	225	225	75	75
Horse power of machines	60	45	30	15	15
Asset value (Rs.)	60,000	40,000	30,000	10,000	10,000
Light points	10	16	4	6	4
Area (Sq. ft.)	1500	2500	500	500	500

Show primary distribution summary.

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Q.2 a) **Match the following**

- | | |
|--|-----------------------|
| 1) Cost showing both fixed & variable components | 1. Fixed cost |
| 2) Cost that can be traced to a particular cost center | 2. Sunk cost |
| 3) Cost which remains constant irrespective of output | 3. Variable cost |
| 4) Cost which changes according to changes in output | 4. Semi-Variable cost |
| | 5. Direct cost |

04

Q.2 b) **Fill in the blanks**

- _____ method of valuing material issues assumes that last received material is taken out first.
- Recording the time spent by a worker on each job or operation is _____
- _____ rates are preferred where work demands high degree of skill & Quality is utmost importance.
- _____ cost is the cost which is not normally incurred at a given level of output, in the conditions in which that level of output is normally attained.
- The technique & process of ascertaining cost is called _____

Q.2 c) Say true or false & correct the false statement

- 1) ABC analysis classifies material items, more in Quantity but small in value as A group.
- 2) Carrying cost takes in to account storage, & insurance cost.
- 3) Engineering department maintains control over recruitment and placing of employees.
- 4) Incentive is a reward for effort made.
- 5) stores ledger is prepared by stores department. 05

Q.3 a) Calculate the material turnover ratio for the year 2002-03 from the following information. Also calculate material turnover in days & state which of the two materials is slow moving.

Particulars	Material A (Rs.)	Material B (Rs.)
Material in hand on 1.4.2002	50,000	1,75,000
Material in hand on 31.03.2003	30,000	1,25,000
Material Purchases	3,80,000	2,50,000

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- b) From the following particulars, calculate the economic order Quantity [EOQ] & also state the number of orders to be placed in a year. Annual requirements = 1600 units
 Order placing & receiving cost per order Rs. 50
 Cost of material per unit Rs.40
 Annual carrying cost of inventory = 10% of inventory value. 07

OR

Q.3 Explain various stock levels. What are the factors to be considered while fixing stock levels. 15

Q.4 From the following information prepare cost sheet

Particulars	Rs.
Openingh stock of raw material	5,00,000
Openingh stock of WIP	1,00,000
Openingh stock of finished goods	4,00,000
Closing stock of finished goods	5,00,000
Closing stock of WIP	1,00,000
Closing stock of raw material	4,00,000
Purchase of raw materials	50,00,000
Direct labour	20,00,000
Direct expenses	2,00,000
factory rent	2,50,000
office rent	2,50,000
fuel & power	2,00,000
Factory insurance	80,000
Office salary	4,00,000
Office insurance	50,000
Stationery	20,000
salesmen salary	1,00,000
carriage inward	50,000
carriage outward	50,000
sales	100,00,000

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