**Question Bank**

**Cost Accounting-1**

**B.COM SEMESTER-3**

Unit – 1

1. How is Cost sheet prepared under Unit Costing System? State various elements of cost.

2. Write short notes:

A) Tender

B) Work - in – progress in cost sheet

C) Finished goods in cost sheet

D) Fixed and variable expenses

3. **The following particulars are available from the books of Pooja Ltd. for the year 2012. Prepare cost sheet for the year 2012 and Estimated cost sheet for the year 2013.**

|  |  |
| --- | --- |
| **Particular** | **Rs.** |
| Direct materials | 12,06,000 |
| Direct labour | 7,65,000 |
| Direct expenses | 1,08,000 |
| Factory overhead expenses (40% variable) | 7,65,000 |
| Administrative overhead expenses (fixed) | 4,32,000 |
| Selling expenses (20% fixed) | 3,60,000 |
| Output and sale (4,500 units) | 45,45,000 |

For the year 2013 the company will produce and sell 10,000 units for that the following estimation has been made:

1. Prices of direct materials will go up by 41 rupees per unit.
2. Direct labour will increase by 20%.
3. Fixed factory overheads will be increased by Rs. 22,500.
4. Variable selling expenses per unit will increase up to Rs. 35.
5. The rate of profit on sales during previous year will have to be maintained during 2013.

**Question Bank**

**Cost Accounting-1**

**B.COM SEMESTER-3**

Unit – 2

1. Prepare a specimen reconciliation statement, with imaginary figures. Showing Profit or Loss of Cost and Financial Accounts.

2. Write short note : Reconciliation of cost and Financial Accounts.

3. **Pratik Limited has furnished you the following information for the year ending on 31-12-2010:**

**Dr.** Trading and Profit & Loss Account **Cr.**

For the year ending on 31-12-2010

|  |  |  |  |
| --- | --- | --- | --- |
| Particulars | Rs. | Particulars | Rs. |
| Opening stock (500 units, at Rs. 35 each)  Material consumed  Wages  Factory Overheads  Gross Profit  Administration Exp.  Selling Expenses  Bad debts  Preliminary Exp.  Net Profit | 17,500  2,60,000  1,50,000  94,750  2,07,750 | Sales (10,250 units)  Closing stock (250 units, at Rs. 50 each)  Gross profit  Interest  Rent | 7,17,500  12,500 |
| 7,30,000 | 7,30,000 |
| 1,06,000  55,000  4,000  5,000  48,000 | 2,07,750  250  10,000 |
| 2,18,000 | 2,18,000 |

The cost sheet shows the cost of materials at Rs. 26 per unit, and the labour cost, at Rs. 15 per unit. The factory overheads are absorbed at 60% of direct labour cost and administration expenses at 20% of factory cost. Selling expenses are charged at Rs. 6 per unit.

The opening stock of finished goods is valued at Rs. 45 per unit, as per cost records, closing stock is out of the units manufactured during the year.

**Prepare:**

1. A statement showing profit as per Cost Accounts for the year ending on 31-12-2010.
2. A statement showing the reconciliation of profits disclosed in cost accounts with the profit shown in financial accounts.

**Question Bank**

**Cost Accounting-1**

**B.COM SEMESTER-3**

Unit – 3

**1. Calculate the following sum.**

**(a)** From the Following Information, Calculate inventory turnover ratio and turnover period

1) Opening Stock 30,000 units

2) Purchase(annum) 2,55,000/-

3) Adjusted purchase 2,25,000/-

**(b)** From following information , find out EOQ.

Annual consumption 1,35,000 units, Per Unit Price Rs.10 ,Per Unit insurance expense Rs.0.90, Per Unit interest expense Rs. 0.30, Per unit storage expense Rs.0.30, Ordering cost per order- Rs. 10

**(c)** From the following information of Akash ltd., find out (1) Reordering level (2) Minimum level (3) Max. level (4) Avg. level (5) Danger level (6) Safety level.

Maximum time for procurement goods 50 days , Maximum time of emergency procurement 8 days. , Average time for procurement of goods 40 days. , Minimum daily consumption 1600 units. , Average daily consumption 2000 units.

Economic Reordering quantity is 1/6 of recordering level.

**2**. **Calculate the following sum**

From the following information , calculate (1) Economic ordering quantity (2) Ordering level (3) Minimum level (4) Max. level (5) Avg. level (6) Danger level.

**1)** Annul consumption 3,000units

**2)** Cost per Unit Rs. 20/-

**3)** Expenses Placing an order Rs.100/-

**4)** Ordering expense / Carrying Cost 25%

**5)** Max. Delivery period 45 days

**6)** Avg. delivery period 35 days

**7)** Min. delivery period (?)

**8)** Max. delivery period for

Emergency purchase 5 days

` **9)** Max. Consumption daily 30 units

**10)** Min. Consumption daily 20 days

**11)** Avg. consumption daily (?)

**Question Bank**

**Cost Accounting-1**

**B.COM SEMESTER-3**

Unit – 4

**1.** A Worker produces 2000 units in a week time, the guaranteed weekly wages payment for 45 hrs. is 81 Rs. The expected time to produce one units is 15 minutes which is raised further by 20% under the incentive scheme. What will be the total earning and earnings per hour of that work under Halsey & Rowan Bonus Schemes?

**(B)** A worker is allowed 60 hour for executing a piece of work , which he completes within 40 hours. He is paid at the rate of 4 Rs. Per hour.

The material cost of production is 300 Rs. And the factory overheads are recovered at 50% of the total direct wages.

Calculate the factory cost of the product as per Halsey Wage Plan.

**(C)** Calculate the number of employees in the beginning and at the end of the year from the following information :

(1) Labour turn over rate 3%

(2) Number of employees left during the year -12

(3) Number of employees at the end were 100 more then number of employees in the beginning.

**2.** From the following information , calculate the remuneration of workers A,B and C for October 2012:

(1) Standard production per month per worker 1000 units

(2) actual production during the month

A- 800 units , B-700 units , C – 900 units

(3) Wage rate per unit produced 2 rs.

(4) Dearness Allowance : 50% of wages.

(5) House rent allowance : 10% of wages plus dearness allowance

(6) Bonus: At the rate of 20 Rs. For each percentage of units produced in excess of

75% of Standard Production.

**(B)** Workman Gunvant was allowed 72 Hours to complete a job on daily time wages and completed the job in actual 48 hours. His time wages is 7 Rs.

Material cost of a product is 100 Rs. And factory overhead are recovered at 50% a total prime cost.

Calculate the factory cost of product under following wage method

1. Halsey Wage Plan (2) Rowan Wage Plan