28/3/14
Library

SYBI
Cost Acctg

MN3AGD

Instructions: 1. Figures to the right indicate full marks.

2. Use of scientific calculator is not allowed.

3. Presentation should be neat and clean.

Time: 2Hours.

Marks: 60

Q.1] Explain any 3 out 5:- [15]

1. State the importance of costing.

2. What is the difference between cost, costing, and cost accounting?

3. Explain the classification of costs.

4. Explain Job costing.

5. What are overheads? Explain its types.

Q.2] Explain any 3 out of 5:- [15]

1. State the formulae of following:

1. Cost 2. Contribution 3. BEP (in units) 4. LCV.

5. MOS (in Rs)

2. If the sales are Rs. 20,000, Variable cost Rs. 15000, Fixed cost Rs. 5000, then calculate Profit?

3. If the SPis Rs. 40, AP Rs. 30, and AQ Rs. 10, then calculate MPV?

4. Explain the concept of standard costing.

5. If the profit is 50% on sales, then what will be the %on cost? [Show by way of calculation]

Q.3A] from the following particulars, prepare the cost sheet for job no. 75 and find out the value of the job: - [7]

Materials issued for the job	Rs. 8000
Direct Expenses	Rs. 700
Production wages	Rs.6600

Provide 60% on productive wages for works on cost and 12.5% on works cost for office oncost. Profit to be realized on the selling price is 15%.

P.T.O

SYBI
Cost Acctg

28/3/14
Library

MN3AGD

Q3B] Product passes through three processes to completion. Foll are the relevant details: [8]

a) PARTICULARS	TOTAL[RS]	P-1[RS]	P-2[RS]	P-3[RS]
Direct material	8482	2000	3020	3462
Direct labor	12000	3000	4000	5000
Direct expenses	726	500	226	-
Production overhead	6000	-	-	-

b) 1,000units at Rs.5 each were issued to process No. 1.

c) Output of each process was:-

Process No. 1 :	920 units
Process No. 2 :	870 units
Process No. 3 :	800 units

d) Normal loss per process was estimated as:-

Process No.1:-	10%
Process No.2 :	5%
Process No.3 :	10%

e)Scrap value is :-

Process No.1:	Rs.3 per unit
Process No.2:	Rs.5 per unit
Process No.3:	Rs.6 per unit

f) There was no stock of material or WIP in any department at thebeginning or end of the year. The output of each process passes direct to the next process and finally to finished stock. Production overhead is allocated to each process on the basis of 50% of the cost of direct labour.Show process accounts.

OR

Q3A] Assuming that the cost structure and selling prices remain the same in period 1 and 2 find out:-[7]

Years	Sales[RS]	Profit[RS]
2005	4,00,000	20,000
2006	5,00,000	40,000

Calculate:-

1. P/V Ratio 2. Fixed costs 3. BEP [RS] 4. Sales to earn a profit of Rs. 80,000

5. Profit when sales are Rs. 7, 00,000. 5. Margin of safety in Rs.

Q3B] Using the foll info for department X, calculate all possible labor variances: [8]

P.T.O

MN3AGD

Actual wage rate per hour [RS]	3.40
Standard hours for production	8,640
Standard rate per hour[RS]	3
Actual hours worked	8200

Q4A] A firm tendered for a contract in a tender price of Rs. 25, 00,000. After mutual discussions the price tendered was reduced by 20% and the firm started work on the contract on 1st jan,2003. [7]

The foll info is available for the year ended 31 Dec, 2003.

PARTICULARS	RS
Materials purchased for a contract	5, 00,000
Stores and spares consumed	45,000
Wages	2, 64,000
Plant and machinery	1, 20,000
Overhead expenses	51,000
Stock of materials on 31st Dec, 2003.	25,000

The machinery was purchased on 1st April, 2003. It has a working life of five years and its scrap value has been estimated at Rs.20, 000. By 31st Dec, 2003 the contractor had received Rs.8, 00,000 which represented 80% of the value of work certified on 15th Dec, 2003.

Expenses incurred after15th Dec, 2003 were as follows;

1. Materials Rs 12, 000
2. Wages Rs.11, 000
3. Overhead expenses Rs.7, 000.

Prepare the contract account.

Q4B] Company B produces and sells products per month at the rate of Rs.20. If the variable cost per unit is Rs. 12 per unit and fixed cost are Rs. 3000per month then calculate:- [8]

1. Contribution
2. P/V Ratio
3. BEP at units.
4. MOS (units)
5. Net profit.

1000 units

OR

Q4A] A manufacturing concern which which has adopted standard costing furnishes the foll info:- [7]

1. Standard materials for 70kg. Finished products, 100kg.
2. Standard price of material Rs.1per kg.
3. Actual output 2, 10,000kg.
4. Actual material used 2, 80,000kg.
5. Cost of material Rs. 2, 52,000.

P.T.O

MN3AGD

Calculate:-

1. MCV
2. MUV
3. MPV.

Q4B] M/S Ever fine constructions commenced a contract for the Bun glow on 1st july,2003. [8]
Originally the contract price was Rs. 50,00,000 but finally the same was fixed at Rs. 45,00,000. Their actual expenditure during the year 2003 and estimated expenditure during 2004, till the completion of the contract is as under:

PARTICULARS	Actual expenditure Up to 31.12.2003	Estimated expenditure during 2004.
Building materials	8,00,000	13,00,000
Labor charges	6,00,000	6,00,000
Plant installed at site(at cost)	4,00,000	-
Materials at site on 31.12.2003	50,000	
General expenses	2,50,000	3,55,000
Plant returned to stores	1,00,000	-
Work certified	20,00,000	contract completed
Work uncertified	75000	-
Cash received	90% of work certified	45,00,000

Prepare estimated contract accounts.