

PC-4172/MR

F-16/2050

COST ACCOUNTING-602

(Semester-VI)

Time : Two Hours]

[Maximum Marks : 70

Note : Attempt any *four* questions. All questions carry equal marks.

- I. What is Job Costing? How does it differ from Batch Costing? Mention the types of industries in which this system is applicable.
- II. Define operating costing. Discuss its features and give examples of situations where operating costs are computed.
- III. The following is the cost of manufacturing 4,000 units :
Materials Rs. 15,000 Wages Rs. 2,000
Direct Expenses Rs. 300 Fixed Overheads Rs. 14,000
Variable Overheads Rs. 3,000

It is estimated that for manufacturing every 1,000 units (over and above 4,000 units) the manufacturing cost will increase by following rate :

- (a) Materials will increase proportionately.
- (b) Wages will be 10% less than the proportionate amount.
- (c) Direct expenses will not increase.
- (d) Fixed overheads will increase by Rs. 2,000.
- (e) Variable overhead will be 20% less than the proportionate amount.

Calculate the cost to produce 7,000 units and show by how much amount this cost would differ if all the factory overheads were charged at 10% of direct wages.

- IV. An expenditure of Rs. 1,94,000 has been incurred on a contract at the end of 31st March, 2016. The value of work certified is Rs. 2,20,000. The cost of work done but not yet certified is Rs. 6,000. It is estimated that contract will be completed by 30th June, 2016 and an additional expenditure of Rs. 40,000 will have to be incurred to complete the contract. The total estimated expenditure on the contract is to include a provision of 2.5% for contingencies. The contract

price is Rs. 2,80,000 and Rs. 2,00,000 has been realized in cash upto 31st March, 2016. Calculate the proportion of profit to be taken to profit and loss account as on 31st March, 2016 under different methods.

- V. Define activity-based costing. State the need for emergence of activity based costing. How ABC system supports corporate strategy?
- VI. What do you mean by cost control accounts? Explain various cost control accounts.
- VII. From the following detail, prepare statement of Equivalent, statement of cost and statement showing apportionment of cost by following FIFO :

Opening work in progress	2,000 units
	Rs.
Materials (100% complete)	5,000
Labour (60% complete)	3,000
Overheads (60% complete)	1,500
	<hr/>
	9,500
	<hr/>

Units introduced into the process during the current period : 8,000.

There are 2,000 units in progress at the end of the period and the stage of completion is estimated to be :

Materials	100%
Labour	50%
Overhead	50%

8,000 units are transferred to next process. There is no process loss and the process cost for the period are :

	Rs.
Material	88,000
Labour	62,400
Overhead	31,200
	<hr/>
	1,81,600
	<hr/>

VIII. The following information is available from the financial books of a company having a normal production capacity of 60,000 units for the year ended 31st March, 2017 :

1. Sales Rs. 10,00,000 (50,000 units).
2. There was no opening and closing stock of finished units.
3. Direct material and direct wages cost were Rs. 5,00,000 and Rs. 2,50,000 respectively.

4. Actual factory expenses were Rs. 1,50,000 of which 60% are fixed.
5. Actual administrative expenses were Rs. 30,000 of which 40% are fixed.
6. Actual selling and distribution expenses were Rs. 30,000 of which 40% are fixed.
7. Interest and dividend received Rs. 15,000.

You are required to :

- (a) Find out profits as per financial books for the year ended 31.3.2017.
- (b) Prepare a statement of cost and profit as per cost accounts for the year ended 31.3.2017 assuming that the indirect expenses are absorbed on the basis of normal production capacity.
- (c) Prepare a statement reconciling profits shown by financial and cost books.

IX. Write brief answers of any *ten* :

- (i) Work certified.
- (ii) Escalation clause.
- (iii) Job costing *Vs* Contract costing.

- (iv) Inter-Process Profit.
- (v) Joint cost.
- (vi) Integral and non-integral accounts.
- (vii) Transfer pricing.
- (viii) Productivity costing.
- (ix) Value analysis.
- (x) Cost pools.
- (xi) Opportunity cost.
- (xii) Retention money.

PUNJABI VERSION

ਨੋਟ : ਕੋਈ ਚਾਰ ਪ੍ਰਸ਼ਨ ਕਰੋ। ਸਾਰੇ ਪ੍ਰਸ਼ਨਾਂ ਦੇ ਅੰਕ ਬਰਾਬਰ ਹਨ।

- I. ਜਾਬ ਲਾਗਤਕਾਰੀ ਤੋਂ ਕੀ ਭਾਵ ਹੈ? ਇਹ ਬੈਚ ਲਾਗਤਕਾਰੀ ਤੋਂ ਕਿਵੇਂ ਭਿੰਨ ਹੁੰਦੀ ਹੈ? ਜਿਨ੍ਹਾਂ ਉਦਯੋਗਾਂ ਵਿੱਚ ਇਹ ਪ੍ਰਣਾਲੀ ਕਾਰਜਸ਼ੀਲ ਹੈ, ਉਨ੍ਹਾਂ ਦੀਆਂ ਕਿਸਮਾਂ ਦਰਜ ਕਰੋ।
- II. ਓਪਰੇਟਿੰਗ ਲਾਗਤਕਾਰੀ ਨੂੰ ਪਰਿਭਾਸ਼ਿਤ ਕਰੋ। ਇਸ ਦੇ ਲੱਛਣ ਦਰਜ ਕਰੋ ਅਤੇ ਅਜਿਹੀਆਂ ਸਥਿਤੀਆਂ ਦੀਆਂ ਉਦਾਹਰਣਾਂ ਦਿਓ, ਜਿਥੇ ਓਪਰੇਟਿੰਗ ਲਾਗਤਾਂ ਅੰਕੀਆਂ ਜਾਂਦੀਆਂ ਹਨ।
- III. ਨਿਮਨ-ਦਰਜ ਵੇਰਵਿਆਂ ਦਾ ਅਧਿਐਨ ਕਰਕੇ ਲੋੜੀਂਦੀ ਕਾਰਵਾਈ ਕਰੋ :

The following is the cost of manufacturing 4,000 units :

Materials Rs. 15,000

Wages Rs. 2,000

Direct Expenses Rs. 300

Fixed Overheads Rs. 14,000

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It is estimated that for manufacturing every 1,000 units (over and above 4,000 units) the manufacturing cost will increase by following rate :

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- (e) Variable overhead will be 20% less than the proportionate amount.

Calculate the cost to produce 7,000 units and show by how much amount this cost would differ if all the factory overheads were charged at 10% of direct wages.

IV. ਨਿਮਨ-ਦਰਜ਼ ਵੇਰਵੇ ਵਿਚਾਰ ਕੇ ਦੱਸੋ ਅਨੁਸਾਰ ਕਾਰਵਾਈ ਕਰੋ :

An expenditure of Rs. 1,94,000 has been incurred on a contract at the end of 31st March, 2016. The value of work certified is Rs. 2,20,000. The cost of work done but not yet certified is Rs. 6,000. It is estimated that contract will be completed by 30th June, 2016 and an additional expenditure of Rs. 40,000 will have to be incurred to complete the contract. The total estimated expenditure on the contract is to include a provision of 2.5% for contingencies. The contract price is Rs. 2,80,000 and Rs. 2,00,000 has been realized in cash upto 31st March, 2016. Calculate the proportion of profit to be taken to profit and loss account as on 31st March, 2016 under different methods.

- V. ਕਾਰਜ-ਆਧਾਰਿਤ ਲਾਗਤਕਾਰੀ ਨੂੰ ਪਰਿਭਾਸ਼ਿਤ ਕਰੋ। ਕਾਰਜ-ਆਧਾਰਿਤ ਲਾਗਤਕਾਰੀ ਦੇ ਉਭਰਨ ਦੀ ਲੋੜ ਵਿਚਾਰੋ। ABC ਪ੍ਰਣਾਲੀ ਕਾਰਪੋਰੇਟ ਨੀਤੀ ਦਾ ਕਿਵੇਂ ਸਮਰਥਨ ਕਰਦਾ ਹੈ?
- VI. ਲਾਗਤ ਨਿਯੰਤਰਣ ਖਾਤਿਆਂ ਤੋਂ ਕੀ ਭਾਵ ਹੈ? ਵਿਭਿੰਨ ਲਾਗਤ ਨਿਯੰਤਰਣ ਖਾਤਿਆਂ ਦੀ ਚਰਚਾ ਕਰੋ।
- VII. ਨਿਮਨ-ਦਰਜ ਵੇਰਵਿਆਂ ਦਾ ਅਧਿਐਨ ਕਰਕੇ ਉੱਤਰ ਲਿਖੋ :

From the following detail, prepare statement of Equivalent, statement of cost and statement showing apportionment of cost by following FIFO :

Opening work in progress	2,000 units
	Rs.
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	Rs.
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Labour	62,400
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	<hr/>
	1,81,600
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VIII. ਨਿਮਨ-ਦਰਜ ਵੇਰਵੇ ਵਿਚਾਰ ਕੇ ਦੱਸੋ ਅਨੁਸਾਰ ਕਾਰਵਾਈ ਕਰੋ :

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- (c) Prepare a statement reconciling profits shown by financial and cost books.

IX. ਕਿਸੇ ਦਸ ਦੇ ਸੰਖੇਪ ਉੱਤਰ ਲਿਖੋ :

- (i) ਕਾਰਜ ਪ੍ਰਮਾਣ ਤੋਂ ਕੀ ਭਾਵ ਹੈ?

- (ii) ਖਰਚੇ ਵਧਣ ਦੀ ਮੱਦ ਕੀ ਹੁੰਦੀ ਹੈ?
 - (iii) ਜਾਬ ਲਾਗਤਕਾਰੀ **ਬਨਾਮ** ਠੇਕਾ ਲਾਗਤਕਾਰੀ ਵਿਚਾਰੋ।
 - (iv) ਅੰਤਰ-ਪ੍ਰਕਿਰਿਆ ਲਾਭ ਕੀ ਹੁੰਦਾ ਹੈ?
 - (v) ਸਾਂਝੀ ਲਾਗਤ ਕੀ ਹੁੰਦੀ ਹੈ?
 - (vi) ਸੰਜੁਗਤ ਅਤੇ ਗੈਰ-ਸੰਜੁਗਤ ਖਾਤੇ ਕੀ ਹੁੰਦੇ ਹਨ?
 - (vii) ਤਬਾਦਲਾ ਕੀਮਤ-ਨਿਰਧਾਰਣ ਤੋਂ ਕੀ ਭਾਵ ਹੁੰਦਾ ਹੈ?
 - (viii) ਉਤਪਾਦਕਤਾ ਲਾਗਤਕਾਰੀ ਕੀ ਹੁੰਦੀ ਹੈ?
 - (ix) ਵੈਲਯੂ ਵਿਸ਼ਲੇਸ਼ਣ ਤੋਂ ਕੀ ਭਾਵ ਹੈ?
 - (x) ਲਾਗਤ ਪੂਲਜ਼ ਕੀ ਹੁੰਦੇ ਹਨ?
 - (xi) ਅਵਸਰ ਲਾਗਤ ਕੀ ਹੁੰਦੀ ਹੈ?
 - (xii) ਰੋਕੀ ਗਈ ਮੁਦਰਾ ਦੇ ਅਰਥ ਲਿਖੋ।
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