

15. What is labour turnover?
16. What is time keeping?
17. What is idle time?
18. What is a budget?
19. What is retention money?
20. What is abnormal process loss?

(8 × 2 = 16 Marks)

Part-III

Answer any *six* questions. Each question carries 4 marks.

21. What are the differences between cost accounting and financial accounting?
22. Differentiate between allocation and absorption of overheads.
23. Explain the essentials of a successful budgetary control system.
24. From the following information, calculate reorder level, minimum level, maximum level, average level and danger level.

Normal consumption	100 units per week
Minimum consumption	50 units per week
Maximum consumption	150 units per week
Reorder quantity	400 units
Reorder period	6 to 8 weeks
Emergency delivery period	3 weeks

25. Compute machine hour rate from the following:

Cost of machine	Rs. 2,00,000
Installation charges	Rs. 20,000
Estimated scrap value	Rs. 10,000
Estimated life in years	15
Rent and rates per month	Rs. 2,000
Lighting charges per month	Rs. 600
Insurance per annum	Rs. 960
Repair charges per annum	Rs. 2,000
Supervisor's salary per month	Rs. 3,000
Power consumption	10 units per hour @ Rs. 150 per 100 units
Estimated working hours	2,200 per annum including set up time of 200 hours

The machine occupies 1/4th of the space in the workshop and the supervisor devotes 1/5th of his time for the machine.

(2)

26. Calculate the total earnings of three workers A, B and C under Halsey Plan and Rowan Plan.

Standard time	20 hours
Time rate	Rs. 20 per hour
Time taken by A	16 hours, by B 10 hours and by C 8 hours.

27. Following was the expenditure on a contract for Rs. 6,00,000 commenced in January.

	Rs.
Materials	1,20,000
Wages	1,64,000
Plant	20,000
Overheads	8,500

Cash received on account of the contract up to 31st December was Rs. 2,40,000 being 80% of the work certified. Work uncertified amounted to Rs. 6,000. The value of materials in hand was Rs. 4,000. The plant has undergone 20% of depreciation. Prepare Contract account.

28. Prepare Process account from the following information:

Materials issued	1000 units @Rs. 150 per unit
Wages	Rs. 30,000
Overheads	Rs. 10,000
Normal loss	5% of input
Actual output	900 units

(6 × 4 = 24 Marks)

Part-IV

Answer any *two* questions. Each question carries 15 marks.

29. A product is obtained after it passes through three distinct processes. Following particulars relate to the processes:

	Total	Process 1	Process 2	Process 3
Material (Rs.)	33,000	10,400	7,900	15,400
Direct wages (Rs.)	36,000	8,000	12,000	16,000
Production overheads (Rs.)	30,000			
Actual output (in units)		950	840	750
Normal loss		5%	7%	10%
Scrap value per unit (Rs.)		7	10	16

1000 units @Rs. 14 per unit were introduced into Process 1. Production overhead is to be distributed as 100% on direct wages.

Prepare Process Accounts, Normal Loss Account and Abnormal Loss/ Gain Account.

(3)

Turn Over