

Spring Semester 2020

Time:09:00am to 03:00pm

Online Assignment (50 Marks)

Best Of Luck

Instructions: These questions should be solved and submitted in PDF or MS Word format

Q1: Quantity and equivalent production schedules, Adjustment for lost units. Lotcame laboratories produce, an antibiotic product in its three producing departments. The following quantitative and cost data have been made available: **(Marks 30)**

| | Departments | | |
|--|-------------|---------|----------|
| | Blending | Testing | Terminal |
| Production Data | | | |
| Started into production | 8000 Kg | 5300 Kg | 3250 Kg |
| Transferred to next department | 5300 | 3250 | |
| Transferred to finished goods store room | | | 1900 |
| In process (90% material, 2/3 labour and FOH) | 2400 | | |
| In process (100% material, 3/4 labour and FOH) | | 1700 | 900 |
| Cost Charged to department | | | |
| Materials | \$22,670 | \$8,980 | \$14,500 |
| Labour | 11,160 | 5,016 | 12,020 |
| FOH | 5,600 | 2,290 | 5,000 |

Required:

- 1) A quantity schedule for each of the three departments.
- 2) An equivalent production schedule for each of the three departments
- 3) The unit cost of FOH in the terminal department
- 4) The lost unit cost in the testing department, if the unit cost transferred in from the blending department is \$5.00

Q2: what is job order costing? Explain with example. **(10 Marks)**

Q3: Briefly define LIFO and FIFO ? Explain with examples. **(10 Marks)**