**Module Leader: Quaid Iqbal Module: Cost Accounting**

**Spring Semester 2020 Online Assignment (30 Marks)**

**Instructions**: These questions should be solved and submitted in MS World format

**Best Of Luck**

Q1: What is inventory ? (3 marks)

Q2: What is difference between Planning and Control ? (3 marks)

Q3: what is difference between estimated factory overhead and applied factory overhead ? (4 marks)

Q4: The accounting department of the Ruthven Company provided the following data for may:

Sales: $72,000

Marketing Expenses: 5%

Administrative expenses: 1%

Other Expenses: 5%

All of sales.

Purchases $36,000

Factory Overhead: 2/3 of the direct labour

Direct labour: $15,000

|  |  |
| --- | --- |
| Beginning Inventories  | Ending Inventories  |
| Finished goods | $7,000 | Finished goods | $10,200 |
| Work In Process | $8,000 | Work In Process | $15,000 |
| Materials | $8,000 | Materials | $8,000 |

 Required:

1. Cost of goods sold statement
2. Income statement

**Important:**

Write a complete note, how you have solved this problem. Furthermore elaborate every heading which is used in cost of goods sold statement.