

Summer Semester 2020

Time:09:00am to 01:00pm

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. Pharma 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
<b>Production Data</b>			
Started into production	7500 Kg	5400 Kg	3200 Kg
Transferred to next department	5400	3200	
Transferred to finished goods store room			2000
In process (100% material, 2/3 labour and FOH)	2000	1900	
In process (100% material, 1/3 labour and FOH)			1000
<b>Cost Charged to department</b>			
Materials	\$20,670	\$7,980	\$14,400
Labour	11,160	5,016	11,620
FOH	5,500	2,280	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 \$6.10

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

**Q3:** What is difference between LIFO and FIFO ? Explain with examples. **(10 Marks)**