

B.Com. DEGREE EXAMINATION, APRIL 2020
III Year V Semester
Cost Accounting

Time : 3 Hours

Max.marks :75

Section A ($10 \times 2 = 20$) Marks

Answer any **TEN** questions

1. Define cost accounting.
2. What is cost centre?
3. Ascertain the value of Raw materials purchased:

	Rs.
Materials consumed	5,00,000
Opening stock of Materials	50,000
Closing stock of materials	25,000

4. Calculate works cost.

	Rs.
Factory expenses	700
Office expenses	300
Selling expenses	900
Materials consumed	3,400

5. What is meant by Bin card?
6. What do you mean by inventory control?
7. What is labour turnover?
8. Calculate the earnings of a worker under Halsey Premium Plan:
Time allowed 48 hours
Time taken 40 hours
Rate per hour Re. 1.
9. Compute the depreciation chargeable to each department:
Depreciation: Rs.55,000
Machinery value in Department: A: Rs.2,00,000 B:Rs. 4,00,000 C: Rs. 5,00,000
10. What is fixed overhead cost?
11. The factory overhead of X Limited for the month of January 2010 was Rs. 60,000
The output during the month was 12,000 units.
Assuming there was no work in progress, ascertain unit based absorption rate for the month.

12. Calculate Labour Turnover under Replacement Method:

1. Number of employees replaced during 2009: 1000.
2. Average number of employees during 2009: 8,000

Section B ($5 \times 5 = 25$) Marks

Answer any **FIVE** questions

13. R company's profit and loss account for 2010 is given below

Dr. Particulars	Rs.	Cr. Particulars	Rs.
To opening stock	10,000	By Sales	3,00,000
To purchase	90,000	By Closing Stock (materials)	15,000
To Wages	40,000	By Interest on investments	5,000
To works expenses	22,000		
To Office expenses	16,000		
To selling expenses	14,000		
To donations	2,000		
To Net profit	1,26,000		
Total	3,20,000	Total	3,20,000

In cost accounts works overhead was 50% of wages of his overhead was 18,000 and selling overhead was 5% on sales prepare a reconciliation statement

14. The following information relates to Toy Gun Manufacturing company for the 3months ending 31st March 2007:

	Rs.
Direct materials consumed	18,000
Direct labour paid	12,000
Direct expenses	4,000
Factory overheads	6,000
Administrative overheads	4,500
Selling and distribution overheads	2,500

1000 units of Toy Gun produced during the period and all the units produced are sold at Rs. 53 per unit. Prepare a cost sheet.

15. From the following particulars, Prepare the stores ledger by adopting the First In First Out method (FIFO)

- 2003 March
- 1 Purchased 300 units at Rs. 2 per unit
 - 2 Purchased 600 units at Rs. 3 per unit
 - 5 Issued 400 units
 - 8 Issued 200 units
 - 10 Purchased 600 units at Rs. 5 per unit
 - 12 Issued 400 units

16. Using Taylor's differential piece rate system. Calculate the earnings of workers X and Y from the particulars given below

Standard time = 20 minutes per unit

Normal wage rate = Rs. 6.00 per hour

Workers X and Y produced 30 and 20 units respectively in a day.

17. A factory has three production departments A B and C and two service departments X and Y the overhead cost of different departments in car during March 2007 are as follows:

Departments	Costs(Rs.)
A	10,000
B	8,000
C	6,000
X	5,000
Y	3,000

The cost of department X have to be charged in the ratio 2: 2 : 1 and those of department Y equally to departments A, B and C respectively. Find out overhead costs of each Production department.

18. You are required to compile a statement showing cost and profit from the information given,

- 1.) Materials consumed 2.) Prime cost 3.) Works cost
4.) cost of production 5.) cost of sales 6.) Profit and 7.sales

Particulars	Rs.
Materials Purchased	2,00,000
Wages	1,00,000
Direct expenses	20,000
Opening stock of materials	40,000
Closing stock of materials	60,000

Factory overhead is absorbed at 20% on wages. Administration overhead is 25% on works cost. Selling and distribution overheads are 20% on the cost of production. Profit is 20% on sales.

19. Following transactions took place in respect of a material item

Date	Receipt Quantity	Rate	Issue Quantity
2-3-2002	200	Rs.2.00	-
10-3-2002	300	Rs. 2.40	-
15-3-2002	-	-	250
18-3-2002	250	Rs. 2.60	-
20-3-2002	-	-	200

Prepare a stores ledger sheet, pricing the issues at weighted average rate.

Section C ($2 \times 15 = 30$) MarksAnswer any **TWO** questions

20. During the year 2008 X Ltd. produced 50,000 units of a product.

The following where the expenses:

Stock of raw materials as on 1.1.2008	10,000
Stock of raw materials as on 31 12 2008	20,000
Purchases	1,60,000
Direct wages	75,000
Direct expenses	25,000
Factory expenses	37,500
Office expenses	62,500
Selling expenses	25 000

You are required to prepare a cost sheet showing cost per unit and total cost at each stage

21. From the following information calculate

1. Economic order quantity
2. Reorder level
3. Maximum level
4. Minimum level

Normal usage 150 units per day. Minimum usage 100 units per day. Maximum usage 200 units per day. Reorder period 50 to 60 days. The annual usage is 50,000 units. The cost of purchase is Rs.100 per order. Cost per unit is Re.1. Carrying cost is 10% per annum.

22. A worker is paid as a basic rate of Rs. 20 per hour. In addition he gets Rs.2000 per week of 48 hours as dearness allowance. He completes a job with Standard Time of 60 hours during the week of 48 hours.

Ascertain his earnings under:

- 1.Halsey premium plan
- 2.Rowan premium plan

23. Compute the Machine Hour Rate:

1. Electric charges Rs.0.75
2. Insurance charges Rs.0.30
3. Repair charges Rs.550 Per annum.
4. Machine value Rs.15,000- Depreciation 10% per annum.
5. Machine will work for 2,000 hours per annum