

B.Com.(CS) DEGREE EXAMINATION, ODD SEMESTER 2020
III Year V Semester
Cost Accounting

Max.marks :25

Answer any **FIVE** questions ($5 \times 5 = 25$) Marks

1. Explain the fundamental principles of cost accounting.
2. From the following information, prepare a cost sheet for the month of January.

Stock of raw materials on 1st January	25,000
Stock of raw materials on 31st January	26,200
Purchase of raw materials	21,900
Carriage on purchases	1,100
Sale of finished goods	72,300
Direct wages	17,200
Non-productive wages	800
Direct expenses	1,200
Factory overheads	8,300
Administrative overheads	3,200
Selling overheads	4,200

3. The following information is extracted from the stores ledger:

Date	Particulars	Issue of materials
Sep.1	Opening balance 500 units at Rs.10	Sep.9 500 units
6	Purchases 100 units at Rs.11	22 500 units
20	Purchases 700 units at Rs.12	30 500 units
27	Purchases 400 units at Rs.13	
Oct.13	Purchases 1,000 units at Rs.14	Oct.15 500 units
20	Purchases 500 units at Rs.15	22 500 units
Nov.17	Purchases 400 units at Rs.16	Nov.11 500 units

Issues are to be priced on the principle of FIFO. Write the stores ledger account.

4. From the following data for the last twelve months, compute re-order level, minimum level and average stock level of a stock item:

Maximum usage in a month	300 kg
Minimum usage in a month	200 kg
Average usage in a month	225 kg

Time lag in the procurement of materials: Maximum -6months; Minimum 2 months. Re-ordering quantity 750 kg.

5. Mr.Ramesh works in a factory where the following particulars apply:
- Normal rate per hour : Rs.3.00
- Normal piece rate : 20% more of time rate.
- Expected output is 40 units per hour. Ramesh produces 314 units in a 8 hour day. Calculate his wages for the day on (a) Time basis and (b) Piece basis.
6. Compute the direct material percentage rate for overhead absorption from the following:
- Factory overheads budgeted for 2000 Rs.2,30,000
- Cost of direct materials estimated to be consumed during 2000 Rs.4,60,000.
7. A worker is paid at 25 paise per hour, for completing a work within 8 hours. If he completes the work within 6 hours, calculate his wages under Halsey plan when the rate of premium is 50%. Also ascertain the effective hourly rate of earnings by the worker.