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

Max.marks :25

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

1. X Ltd. gives following information for the year 2019

Materials	Rs.3,50,000
Labour	Rs. 2,70,000
Factory Overhead	Rs. 81,000
Administrative Overhead	Rs. 56,080

It is estimated that Rs.1000 for material & Rs. 700 for labour will be required for one unit of finished product for quotation purpose. Absorb factory overheads on the basis of labour & administrative overheads on the basis of works cost. A profit of 12.5% on selling price is required on quotations. Prepare cost sheet & statement of selling price per unit of finished product.

2. From the following information, calculate labour turnover rates by applying (a) Separation method (b) Replacement method, and (c) Flux method.

Number of workers on 1/4/19	=	200
Number of workers on 31/3/20	=	240
Number of workers resigned	=	20
Number of workers discharged	=	5
Number of workers replaced	=	18

3. A construction work commenced on 1/4/2016 and the following data are available for the year ended 31 st March 2017.

Particulars	Amount (000) Rs.
Contract price	35000
Work certified	20000
Progress payments received	15000
Materials issued to site	7500
Planning & estimating costs	1000
Direct wages paid	4000
Materials returned from site	250
Equipment hire charges	1750
Wage related costs	500
Site office costs	678
Head office expenses apportioned	375
Direct expenses incurred	902
Work not certified	149

Contractor owns a plant which costs Rs. 20 lakhs and has used throughout the year.

Residual value of the plant is Rs. 5 lakhs over a period of 5 years. Straight line method of depreciation is used. As on 31/3/2017, direct wages due and payable amounted to Rs. 2, 70,000 and materials at site were estimated at Rs. 2, 00,000.

Prepare contract account for the year 31/3/17.

4. Perpetual Inventory is essential for material control. Explain (or)

   Explain the techniques of costing.

5. AB Ltd has three production departments and four service departments. The expenses for these departments as per primary distribution summary are as follows:

Production Departments:	Rs.
A	30,000
B	26,000
C	24,000
Service Departments:	
Stores	4,000
Time- keeping & Accounts	3000
Power	1,600
Canteen	1,000

   The following information is also available in respect of the production departments.

Particulars	Dept. A	Dept. B	Dept. C
Horse power of Machine	300	300	200
Number of workers	20	15	15
Value of stores requisition (in Rs.)	2,500	1,500	1,000

   Apportion the costs of service departments over the production departments.

6. Calculate machine hour rate from the following data:

Cost of machine	Rs.1,00,000
Installation charges	Rs.10,000
Estimated scrap value after expiry of 15 years	Rs.5,000
Rent & rates for the shop per month	Rs.200
Lighting for the shop per month	Rs.300
Insurance premium for the machine p.a	Rs.960
Repair & maintenance per annum	Rs.1,000
Power consumption 10 units per hour -	
Rate of power per 100 units	Rs.20
Estimated working hours per annum	
It includes setting up time of 200 hours	Rs.2,200
Shop Supervisors salary per month	Rs.600

The machine occupies 1/4 th of the total area. Supervisor is expected to devote 1/5 th of his time for supervising the machine.

7. Show the stores ledger entries as they would appear when using weighted average method,

Date	Particulars	Units	Value (Rs.)
April 1	Balance in hand	300	600
2	Purchased	200	440
4	Issued	150	___
6	Purchased	200	460
11	Issued	150	___
19	Issued	200	___
22	Purchased	200	480
27	Issued	250	___