

**SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN  
(AUTONOMOUS)**

**(Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)  
Chromepet, Chennai — 600 044.**

**B.Com.END SEMESTER EXAMINATIONS NOVEMBER-2022**

**SEMESTER - V**

**18UCOCT5A13 - Cost Accounting**

**Total Duration : 2 Hrs 30 Mins.**

**Total Marks : 60**

**Section A**

Answer any **SIX** questions ( $6 \times 5 = 30$  Marks)

1. Explain any 3 types of costs.
2. Brief about the essentials of material control.
3. What is meant by overhead? Bring out its classifications.
4. From the following particulars, prepare a cost sheet showing the selling price per unit.

Rs.

Raw Materials 9,100

Labour and other direct expenses 4,000

Factory expenses 80% of the labour and other direct expenses. Office overheads 10% of works cost. Selling and distribution expenses Rs.2 per unit sold. Units produced and sold – 10,000 Percentage of profit – 20% on selling price.

5. From the following information calculate Economic order quantity and Reorder 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 Rs.1.00. Carrying cost is 10% per annum.

6. X Ltd gives the following information:

Number of employees on 1-4-2017 : 200

Number of employees on 31.3.2018 : 240

Number of employees resigned : 20

Number of employees discharged : 5

Number of employees replaced : 18

Calculate labour turnover by applying separation method.

**Contd....**

7. Materials used Rs.105  
 Direct Wages Rs.140  
 Direct Labour hours – 35 hrs  
 Estimated Factory overhead for the year Rs.52,500  
 Estimated Labour hours for the year 1,05,000  
 Compute the overhead to be charged on the basis of the Direct Labour Hour Rate.
8. Write short notes on idle time and over time.

### Section B

Answer any **THREE** questions ( $3 \times 10 = 30$  Marks)

9. Bring out the advantages and disadvantages of Cost Accounting System.
10. A manufacturing company submits to you the following details about the various expenses incurred by it during the year ended 31<sup>st</sup> December 2016. Prepare cost sheet and also show the expenses which shall not be included in calculating the cost.

|                                     | Rs.    |
|-------------------------------------|--------|
| Cost of raw materials consumed      | 25,000 |
| Advertising                         | 1,000  |
| Depreciation on plant and machinery | 1,500  |
| Factory office salaries             | 6,000  |
| Legal expenses                      | 300    |
| Supervisor's salary                 | 5,500  |
| Factory rates and insurance         | 1,000  |
| Carriage outwards                   | 1,500  |
| Direct labour                       | 20,000 |
| Bad debts                           | 300    |
| Office stationery                   | 200    |
| Rent of factory                     | 2,500  |
| Office salaries                     | 10,000 |
| Commission on sales                 | 4,000  |
| Audit fees                          | 300    |
| Income tax                          | 1,500  |
| Donation to charitable institutions | 500    |
| Purchase of new plant               | 10,000 |

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11. From the below particulars prepare stores ledger account under LIFO method.

Jan

- 1 Purchased 4,000 units at Rs. 4 per unit.
- 5 Purchased 500 units at Rs. 5 per unit.
- 10 Issued 2,000 units.
- 12 Purchased 6,000 units at Rs. 6 per unit.
- 15 Issued 4,000 units.
- 20 Issued 1,000 units.
- 21 Issued 2,000 units.
- 22 Purchased 4,500 units at Rs.5.50 per unit.
- 25 Issued 3,000 units.

12. Calculate the earnings of a worker under Halsey premium plan and Rowan scheme.

Time allowed = 48 hours

Time taken = 40 hours

Rate per hour = Rs.1

13. Aditya producing concern is divided into five departments. 'A', 'B', 'C' are pro-duction departments and 'D' and "E" is a service department. The actual expenses for a period are as follows:

|                       | Rs.    |
|-----------------------|--------|
| Rent                  | 5,000  |
| Indirect wages        | 1,500  |
| Depreciation of plant | 10,000 |
| Lighting expenses     | 600    |
| Power                 | 1,500  |
| Sundries              | 10,000 |

The following information relates to five departments.

|                            | Departments |        |        |          |       |       |
|----------------------------|-------------|--------|--------|----------|-------|-------|
|                            | Total       | A      | B      | C        | D     | E     |
| Floor space in square feet | 10,000      | 2,000  | 2,500  | 3,000    | 2,000 | 500   |
| Light points               | 60          | 10     | 15     | 20       | 10    | 5     |
| Direct wages (Rs.)         | 10,000      | 3,000  | 2,000  | 3,000    | 1,500 | 500   |
| H.P of macines             | 150         | 60     | 30     | 50       | 10    | -     |
| Value of machinery (Rs.)   | 2,50,000    | 60,000 | 80,000 | 1,00,000 | 5,000 | 5,000 |

Apportion the costs to the various departments on the most equitable method.

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