

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.(PA) END SEMESTER EXAMINATIONS APRIL-2023

SEMESTER - V

19UPACT5014 - Cost Accounting

Total Duration : 2 Hrs. 30 Mins.

Total Marks : 60

Section B

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

1. Distinguish between Cost Accounting and Financial Accounting.
2. From the following information calculate Maximum, Minimum and average stock levels.
Normal consumption per day 500 units.
Re-order period 10 to 16 days.
Minimum consumption per day 200 units.
Reorder quantity 3,000 units.
Maximum consumption per day 800 units.
3. Calculate the earnings of worker A and B under Taylor's differential piece rate system.
Standard Time allowed – 10 units per hour.
Time rate per hour – Rs.5 per hour.
Differential to be applied 80% a piece rate when below standard.
120% a piece rate at or above standard.
In a day of 10 hours 'A' produced 80 units and 'B' produced 110 units.
4. Prepare a Job cost sheet from the following:
Materials Rs.2,000.
Labour 50 hours @ Rs.10 per hour.
Works overhead : 100% of wages.
Office overhead : 60% of works cost.
Profit : 20% on sale.
5. Calculate Machine hour rate from the following:

Cost of Machine	Rs.1,200
Average repair and maintenance charges per month	Rs.150
Standing charges allocated to machine per month	Rs.50
Effective life of machine	10,000 hours
Running time per month	166 hours

Power used by machine 5 units per hour@ 19 paise per unit.

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6. In process A 100 units of Raw materials were introduced at a cost of Rs.1,000. The other expenditure incurred by the process was Rs.602. Of the units introduced 10% are normally lost in the course of manufacture and they possess a scrap value of Rs.3 each. The output of process A was only 75 units. Prepare process A Account and abnormal loss account.
7. Calculate EOQ from the following particulars:
 Consumption of material per annum : 10,000 kg
 Ordering cost per order : Rs.50
 Cost per Kg of material : Rs.2
 Store cost : 8% of inventory value.
8. How do you treat under absorption and over absorption of overheads in cost accounting?

Section C

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

9. Differentiate between Cost Accounting and Management Accounting.
10. The following is an extract of the record of receipts and issues of sulphur in a chemical factory during Nov 2001.

Nov. 1	Opening Balance 500 tonnes @ Rs.200
3	Issue: 70 tonnes
4	Issue: 100 tonnes
8	Issue: 80 tonnes
13	Received from supplier 200 tonnes @ Rs.190
14	Returned from department 15 tonnes
16	Issue: 180 tonnes
20	Received from Supplier 240 tonnes @ Rs.195
24	Issue: 300 tonnes
25	Received from supplier 320 tonnes @ Rs.200
26	Issue: 115 tonnes
27	Returned from department 35 tonnes
28	Received from supplier 100 tonnes @ Rs.200

Prepare a stores ledger account for the above information by adopting FIFO method of pricing of issues of materials.
11. From the following particulars, calculate the earnings of a worker under,
 - (a) Halsey plan
 - (b) Rowan Plan

Time allowed	= 30 hrs
Time taken	= 20 hrs

Hourly rate of wage Rs.2 per hour plus a dearness allowance @ 0.50 paise per hour worked.

12. The 'Modern Company' is divided into four Departments : A,B,C,and D. The actual expenses for a period are as follows.

Particulars	Rs.
Rent	2,000
Repairs of plant	1,200
Depreciation and plant	900
Lighting	200
Supervision expenses	3,000
Insurance	1,000

The following information is available in respect of the four departments.

Particulars	Dept A	Dept B	Dept C	Dept D
Area (Sq. metres)	150	110	90	50
Number of employees	24	16	12	8
Value of plant (Rs.)	24,000	18,000	12,000	6,000
Value of stock (Rs.)	15,000	9,000	6,000	—

Apportion the costs to the various departments.

13. From the following information, prepare process cost accounts and normal loss, abnormal loss or gain accounts.

Particulars	Process A (Rs.)	Proces B (Rs.)
Material	30,000	3,000
Labour	10,000	12,000
Overheads	7,000	8,600
Input(units)	20,000	17,500
Normal loss	10%	4%
Sale of waste per unit(Rs.)	1	2
Final output from process B(units)	-	17,000
