

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. A&F - END SEMESTER EXAMINATIONS - NOV'2024

SEMESTER - V

20UAFCT5014 - Cost Accounting

Total Duration : 2 Hrs.30 Mins.

Total Marks : 60

Section B

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

1. Explain the scope of costing Accounting.
2. The accounts of ABC, Co Ltd., show the following.

	Rs.
Material used	7,00,000
Direct labour	5,40,000
Works overhead	1,62,000
Establishment overhead	1,12,600

Predict the price should the company quote to manufacture a machine which will require an expenditure of Rs.1,000 in materials and Rs.800 in wages so that it will yield a profit of 20% on selling price. Make necessary assumptions regarding percentages.

3. The following data pertain to a component Part No.0629:
Purchase price per unit Rs.60
Purchase order cost Rs.240.
Total requirement for a 45 week year – 9,000 units
Carrying cost – 20% of average inventory value.
Compute the economic order quantity and the frequency of placing the orders.
4. Compute the labour cost per man, day of 8 hours from the following details.
 - a. Basic wage – Rs.2,000 per month.
 - b. Dearness allowance @ 20% of the basic wage.
 - c. Leave pay @ 10% of the basic wage.
 - d. Contribution to provident fund by the employer @ 5% of the basic wage.
 - e. Working days of the month – 25 days of 8 hours each.
5. Compute the machine hour rate for the following machine whose scrap value is 'nil'.
 - i) Cost of the machine Rs.3,60,000.
 - ii) Freight and installation Rs.40,000
 - iii) Working life 20 years
 - iv) Working hours 8,000 per year.
 - v) Repair charges is 50% of depreciation.

Contd...

- vi) Power 10 units per hour @ 10 paise per unit.
- vii) Lubricating oil @ Rs.2 per day of 8 hours.
- viii) Consumables stores @ Rs.10 per day of 8 hours
- ix) Wages of operator @ Rs.4 per day.

6. A factory produces 100 units of a commodity. The cost of production is:

	Rs.
Materials	10,000
Wages	5,000
Direct expenses	1,000

Factory overhead 125% on wages: office overhead 20% on works cost. Expected profit 25% on sales. Predict the price to be fixed per unit.

7. From the following particulars prepare the Stores Ledger by adopting first in first out method.

2003

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

8. Bring out the essentials of material control.

Section C

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

- 9. Explain the differences between cost centre and profit centre.
- 10. From the following information prepare a cost sheet for the month of April:

	Rs.
Opening stock of materials	25,000
Closing stock of materials	26,200
Materials purchased	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 expenses	8,300
Administrative overheads	3,200
Selling overheads	4,200

Contd...

11. X company has purchased and issued materials as under:
1998

April 1 Stock of materials 200 units at Rs.2.5 per unit.
3 Purchased 300 units at Rs.3 per unit.
7 Purchased 500 units at Rs.4 per unit.
10 Issued 600 units.
12 Purchased 400 units at Rs.4 per unit.
18 Issued 500 units.
24 Purchased 400 units at Rs.5 per unit.
28 Issued 200 units.

Solve the same under FIFO method and LIFO method of stores ledger.

12. From the following particulars prepare a statement showing the cost per day of 8 hours of engaging a particular type of labour.
- a. Monthly salary (Basic + Dearness Allowance) Rs.20,000.
 - b. Leave salary payable to workmen 5% of salary.
 - c. Employer's contribution to P.F. – 8% of salary (items a and b).
 - d. Employer's contribution to employees state insurance 2.5% of salary (items a and b).
 - e. Pro rata Expenditure on labour amenities Rs.17.95 per head per month.
 - f. Number of working hours in a month 200.
13. A company has three production departments and two service departments and for a period the departmental distribution summary has the following totals.

Rs.

Production Departments:

A	8,000
B	7,000
C	5,000

Service Departments:

X	2,340
Y	3,000

The expenses of service departments are charged out on a percentage basis as follows.

Dept.	A	B	C	X	Y
X	30%	40%	20%	–	10%
Y	30%	25%	25%	20%	—

Ascertain a statement showing the apportionment of the two service department expenses to the production departments.
