

TB145240A

Reg. No.....

Name.....

B. COM. DEGREE (C.B.C.S.S) EXAMINATION, OCTOBER 2016
SEMESTER V - CORE COURSE (COMMERCE)
COM5CA -- COST ACCOUNTING

Time: Three Hours

Maximum Marks: 80

PART A

I. Answer all questions. Each question carries 1 mark.

1. Define Cost Accountancy.
2. What do you mean by a responsibility centre ?
3. Mention any two advantages of centralized purchasing.
4. Define indirect labour.
5. Explain Rowan plans.
6. What is Opportunity cost?
7. What is Sunk cost?
8. What is LIFO ?
9. Define chargeable expenses.
10. What is meant by labour turnover ?

(10x1=10)

PART B

II. Answer any eight questions. Each question carries 2 marks.

11. Distinguish between time keeping and time booking.
12. What is allocation and apportionment?
13. What are the functions of the stores department?
14. What is ABC analysis?
15. What is bill of material?
16. Distinguish between cost control and cost reduction.
17. What is Spoilage?
18. What is cost centre ? List the various cost centre.
19. What is MHR?
20. What do you mean by absorption of overheads?
21. Find out the earnings of workers under Mericks piece rate system.
Normal piece rate = 10 per unit.
Standard production = 120 per day.
In 8 hours a day, X produced 90 units and Y produced 100 units, Z produced 132 units.
22. Monthly demand of product X = 1500 units.
Requirement of component to produce 1 unit of product X = 5 units.
Ordering, receiving and handling cost = Rs. 10 per order.
Trucking cost = Rs. 5 per order.
Deterioration and obsolescence cost = Rs. 10 per unit p.a.
Interest rate = 15% p.a.
Storage cost = 4,50,000 for 90,000 units.
Purchase price of a component = Rs.100.
Calculate EOQ .

PART C

III. Answer any six questions. Each question carries 4 marks.

- 23. Briefly explain the various methods of costing.
- 24. Mention any five differences between cost accounting & financial accounting?
- 25. Explain waste and scrap and its Accounting Treatment.
- 26. Distinguish between bin card and stores ledger.
- 27. Compute overtime and normal wages liable to a workman on the basis of following data:

DAY	HOURS
Monday	8
Tuesday	12
Wednesday	10
Thursday	10
Friday	9
Saturday	4
TOTAL	53

Normal working hours = 8 hours per day.

Saturday = 4 hours.

Normal rate = 2 per hour.

Overtime rate= Upto 9 hours(single rate).

Over 9 hours(double rate)

OR

Upto 48 hours in a week at single rate and over 48 hours in a week at double rate.

whichever is beneficial to workman.

- 28. Standard time allowed for a job is 20 hours and the rate per hour is Rs 1 plus a DA @ 30 paise per hour worked.

Actual time taken by a worker is 15 hours.

Calculate earnings under;

- (a)Time wage system (b)Piece wage system (c)Halsey plan (d)Rowan scheme

- 29. Compute the machine hour rate from the following data:-

Cost of the machine	1,00,000
Installation charges	10,000
Estimated scrap value after life time (15 years)	5,000
Rent and rate for the month	2,000
Lighting charges per month	300
Insurance per annum	960
Repair charges per annum	1,000

- Power consumption 10 units per hour at 60 paise per unit.
- Estimated working hours 2,200 per annum (this includes setting up time of 200 hours)

- Supervisors salary per month Rs.3,000
 - The machine occupies 1/4th of the workshop and the supervisor devotes 1/5th of his time for the machine.
30. The following information has been obtained from the costing records of excel ltd. For the month of April 2012.

PARTICULARS	On 1-4-2012 Rs.	On 31-4-2012 Rs.
Cost of materials	15,000	18,000
Cost of work in progress	7000	6000
Cost of finished stock	28,000	34,000
Productive wages	38,000	
Manufacturing overheads	18,000	
Office expenses	12,000	
Purchase of raw materials	1,20,000	
Selling & distribution expenses	8000	
Sales	2,20,000	

Prepare a cost sheet showing total cost and profit for the period.

31. Two components X and Y ;
 Normal usage=50 Minimum usage=25 Maximum usage=75
Reorder quantity
 X=400 Y=600
Reorder period
 X=4 to 6 weeks Y=2 to 4 weeks
Emergency supply time
 X=2 weeks Y=1 week

Calculate ROL, Minimum level, Maximum level, Average level and Danger level.

(6x4 =24)

PART D

IV. Answer any two questions. Each question carries 15 marks.

32. Sanjai company has five departments:- P,Q,R and S are production departments and T is a service department. The actual expenses for the period are as follows :-

Repairs	3,500
Rent	2,500
Depreciation	1,750
Supervision	5,600
Insurance of stock	1,600
Employer's contribution to PF	1,200
Lighting	1,250

The following are the other information's :-

PARTICULARS	Dept P	Dept Q	Dept R	Dept S	Service Dept T
Floor area – Sq. Ft	140	120	110	90	40
Number of workers	5	4	2	2	1
Total wages (Rs.)	10,000	8,000	5,000	5,000	2,000
Value of plant (Rs.)	20,000	18,000	16,000	10,000	6,000
Value of stock (Rs.)	15,000	10,000	5,000	2,000	-----

Apportion the costs to the various departments on a logical basis.

33. From the following details, write up stores ledger accounts under FIFO and LIFO methods.

Jan 1 Opening balance 100 units at Rs. 5 each

Jan 5 Received 500 units at Rs 6

Jan 7 Issued 300 units

Jan 9 Issued 100 units

Jan 12 Received 500 units at Rs.5

Jan 14 Received 400 units at Rs.5.50

Jan 20 Issued 350 units

Jan 24 Issued 150 units

Jan 27 Received 250 units at Rs. 5.75

Jan 31 Issued 200 units

The stock verifier found a shortage of 10 units on 16 January and another shortage of 15 units on 26 January.

34. The financial books of a co. showed a Net profit of Rs 2,57,510 for the year ended 31 December 2010. The following facts are brought to light;

Under recovery of factory overheads in cost accounts = 6240

Over recovery of office overheads in cost accounts = 3400

Depreciation in final accounts = 22,400

Depreciation in cost accounts = 25,000

Interest on investment not included in cost accounts = 16,000

Loss of obsolescence in financial accounts = 11,400

Income tax debited in financial accounts = 80,600

Bank interest and dividend credited to financial accounts = 2450

Loss in stock not charged in cost accounts = 13,500

Prepare reconciliation statement.

35. What do you mean by elements of cost ? Explain the different elements of cost.

(2x15 =30)