

BACHELOR'S DEGREE (C.B.C.S.) EXAMINATION, FEBRUARY 2024**2021 ADMISSIONS SUPPLEMENTARY (SAY)****SEMESTER V - CORE COURSE (COMMERCE)****CO5B17B18 - Cost Accounting I****Time : 3 Hours****Maximum Marks : 80****Part A****I. Answer any Ten questions. Each question carries 2 marks****(10x2=20)**

1. State 4 examples for Fixed cost.
2. What is Notional charges?
3. What is Non -Financial costs?
4. Explain Cost accounting.
5. What is Job enrichment?
6. Calculate EOQ from the following data: Annual usage – 600 units, Cost of placing and receiving one order - Rs 12, Inventory carrying cost - 20%. Price per unit Rs. 20
7. Demonstrate piece rate system.
8. Explain time keeping
9. Explain the term cost allocation.
10. What is Co-partnership?
11. What is memorandum reconciliation account?
12. Define cost sheet?

**Part B****II. Answer any Six questions. Each question carries 5 marks****(6x5=30)**

13. Summarise the different types of cost centres.
14. Distinguish between perpetual inventory system and periodic inventory system.
15. From the following particulars calculate
 - a) Reorder level
 - b) Minimum level
 - c) Maximum level
 - d) Average stock level
 - e) Danger level

Minimum usage 25 units per week
Maximum usage 75 units per week
Reorder quantity X - 400 Units Y - 600 Units
Reorder period X - 4 to 6 weeks Y - 2 to 4 weeks
Emergency supply time : X - 2 Week

16. Compare and Contrast Time rate and Piece rate system.
17. From the following particulars, find the amount of cash required for payment of wages in a factory for a particular month
Wages for normal hours worked- Rs. 40000
Overtime wages - Rs. 10500
Leave wages- Rs. 5000
Contribution to Provident Fund
Employee's Share- Rs. 4000
Employer's share - 3500
House rent to be recovered from 10 employees at Rs. 200 per month
18. Define machine hour rate. How is it computed?
19. From the following information relating a machine "Shylock" installed in a factory, calculate the machine hour rate

Purchase price of a machine with scarp value zero- Rs.90000
Installation and incidental charges incurred on the machine -Rs.10000
Life of the machine is 10 years of 2000 working hours each
Repair cahrges -50% of depreciation
machine consumes 10 units of electric power per hour at 10 paise per unit
Oil expenses at Rs.2 per day of 8 hours
Two workers are engaged on the machine at Rs.4 per day of 8 hours

20. Enumerate the importance of preparing a cost sheet.
21. The account of X Manufacturing Company for the year ended 31st December 2014 shows the following

Drawing office salaries	6500
Counting house salaries	12600
Carriage outwards	4300
Carriage on purchases	7150
Bad debts written off	6500
Repairs on plant, machinery and tools	4450
Rent, rates , taxes and insurance:	
Factory	8500
Office	2000
sales	4,61,100
stock of materials: 31st December2013	62800
31st December2014	48000
Materials purchased	185000
Loss on sale of plant	1200
Travelling expenses	2100
Goodwill written off	4100
Travellers salary and commission	7700



Preliminary expenses	450
Depreciation - Plant, machinery and tools	6500
Furniture	300
Directors fees	6000
Gas and water : Factory	5200
Office	400
Managers salary(factory-3/4 , Office-1/4)	10000
General expenses	3400
Sale of scrap	4000
Income tax	500
Dividend paid	1000
Advance income tax paid	15000
Bad debts recovered	500
Interest and dividend received	1800
Refund of double taxation	700

Calculate Factory cost by preparing a Cost sheet.

Part C

III. Answer any Two questions. Each question carries 15 marks

(2x15=30)

22. Enumerate the steps in installing a costing system.
23. Prepare a stores ledger under FIFO and LIFO method

2015 JAN 1	Balance 500 units @ Rs 2
2015 JAN 3	Issued 300 units
2015 JAN 6	Purchased 800 units @Rs 2.20
2015 JAN 8	Issued 400 units
2015 JAN 12	Issued 300 units
2015 JAN 14	Purchased 400 units @Rs 2.50
2015 JAN 20	Issued 600 units
2015 JAN 24	Purchased 500 units@Rs 2.80
2015 JAN 25	Issued 300 units
2015 JAN 28	Issued 100 units
2015 JAN 30	Transferred 50 units from Job A to Job B

24. You are given the following information ,

Particulars	Total	Production departments			Service Departments	
		A	B	C	D	E
Rent	1000	200	400	150	150	100
Electricity	200	50	80	30	20	20
Insurance	400	80	160	60	60	40
Depreciation	4000	1000	1500	1000	300	200
Transport	400	50	50	50	100	150
Working hours		1000	2500	1800		

Expenses of Service department D and E are apportioned as under:



	A	B	C	D	E
D	30%	40%	20%	---	10%
E	10%	20%	50%	20%	----

Apportion the expenses of service department to Production department using Repeated Distribution Method. Also work out the overhead rates of Department A, B and C.

25. The following figures are available from the books of Ashok Engineering Company for the year ended 31st March 2014.

Particulars	Financial accounts (Rs)	Cost accounts (Rs)
Opening stock:		
Raw material	6000	5000
Work in progress	7000	6500
Finished goods	5000	4500
Closing stock:		
Raw material	4000	4300
Work in progress	3000	3700
Finished goods	5900	6200
Purchases	40000	----
Direct wages	20000	----
Indirect wages	3000	----
Factory expenses	17000	21000
Administration expenses	3000	2300
Selling expense	4000	4500
Sales	110000	----

Compute the Profit in Financial Accounts as well as in Cost Accounts and Prepare a Reconciliation Statement. Show clearly the reasons for the variation of the two figures.

