

23U339

(Pages: 3)

Name: .....

Reg. No: .....

**THIRD SEMESTER B.Com. PROFESSIONAL DEGREE EXAMINATION, NOV. 2024**

(CUCBCSS-UG)

(Regular/Supplementary/Improvement)

**CC17U BCP3 B11 – COST ACCOUNTING**

(Core Course)

(2017 Admissions onwards)

Time: Three Hours

Maximum: 80 Marks

**Part I**

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

1. The method of costing uses in transport industries:  
(a) Operating costing (b) Operation costing (c) Contract costing (d) Unit costing
2. Which of the following costs do not change in accordance with the level of production?  
(a) Step cost (b) Variable cost (c) Fixed costs (d) Historical cost
3. Which of the following inventory control techniques is mainly using for control of spare parts?  
(a) Imprest system (b) ABC analysis (c) VED analysis (d) JIT system
4. EOQ refers to:  
(a) Economic Order Quantity (b) Environment Order Quantity  
(c) Employment Order Quantity (d) Effective Order Quantity
5. The process of allocation and apportionment of overheads to other departments is:  
(a) Departmentalization of overheads (b) Classification of overheads  
(c) Codification of overheads (d) None of the above
6. The aggregate of all direct costs is known as -----
7. ----- is the part of an organization for which costs are ascertained
8. ----- is the quantitative record maintained by the stores department to record receipt and issue of materials.
9. ----- is the technique of costing in which actual cost is compared with the target cost
10. The rate of change in the composition of the labour force in an organization is known as -  
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**(10 × 1 = 10 Marks)**

**Part II (Short Answer Questions)**

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

11. What is time booking?
12. What is marginal costing?

(1)

**Turn Over**

13. What is EOQ?
14. What is differential costing?
15. What is spoilage of materials?
16. What is absorption of overheads?
17. What is Halsey incentive plan?
18. What is cost sheet?
19. Mention any four objectives of inventory control
20. What is Bill of Materials?

(8 × 2 = 16 Marks)

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

21. Distinguish between stores ledger and bin card
22. Find out EOQ and the number of orders to be placed in a year  
Quarterly consumption of materials- 2000 kg  
Cost of placing one order- 50  
Cost per unit- 40  
Storage cost- 8% of inventory cost
23. Explain the steps in purchase of materials
24. From the following information, calculate earnings of each worker under Rowan plan  
Standard time allowed-10 hours  
Actual time taken:  
Worker A - 12 hours  
Worker B - 10 Hours  
Worker C - 7 hours  
Hourly rate of wages - 2
25. What do you mean by inventory control and what are the techniques?
26. Calculate minimum stock level, maximum stock level and re ordering level from the following information.  
Minimum consumption - 100 units per day  
Maximum consumption - 150 units per day  
Normal consumption - 120 units per day  
Reorder period - 10-15 days  
Reorder quantity - 1500 units  
Normal reorder period - 12 days
27. What are the differences between integrated accounting and non-integrated accounting?

(2)

28. What are the techniques of cost accounting?

(6 × 4 = 24 Marks)

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

29. Explain various elements of costs.
30. Show the stores ledger entries under LIFO method  
2024 April 1<sup>st</sup>- opening balance 500 tonnes @ Rs. 200  
3<sup>rd</sup>- issue 70 tonnes  
4<sup>th</sup>- issue 100 tonnes  
8<sup>th</sup>- received from supplier 200 tonnes @ Rs. 190  
14<sup>th</sup>- returned from department A 15 tonnes @ Rs. 200  
16<sup>th</sup>- issue 180 tonnes  
20<sup>th</sup>- received from supplier 240 tonnes @ Rs 195  
24<sup>th</sup>- issued 320 tonnes  
25<sup>th</sup>- showed a shortage of 10 tonnes  
29<sup>th</sup>- refund of surplus from department A issued on 14<sup>th</sup> April
31. The following particulars relate to processing machine treating a typical material:  
Cost of machine - 10000  
Estimated life - 10 years  
Scrap value - 1000  
Yearly working time (50 weeks of 44 hours each) - 2200 hours  
Machine maintenance 200 hours p.a.  
Setting up time estimated at 5% of total productive time and is regarded as productive time  
Electricity is 16 units per hour at 10 paise per unit  
Chemical required weekly Rs. 20  
Maintenance cost per year - 1200  
Two attendants control the operations of machine together with 6 other machines. Their combined weekly wages are Rs. 140  
Departmental overhead allocated to this machine per annum Rs. 2000  
You are required to calculate the machine hour rate.

(2 × 15 = 30 Marks)

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(3)