

19U411

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Name:

Reg. No:

FOURTH SEMESTER B.Com. DEGREE EXAMINATION, APRIL 2021

(CBCSS - UG)

CC19U BCM4 B05 - COST ACCOUNTING

(Commerce - Core Course)

(2019 Admission - Regular)

Time: 2.5 Hours

Maximum: 80 Marks

Credit: 4

Part A (Short answer questions)

Answer *all* questions. Each question carries 2 marks.

1. What is cost accounting?
2. What do you mean by production statement?
3. What is material control?
4. What are the different types of requisition?
5. What is the formula for calculating average level?
6. What is direct labour?
7. What is job evaluation?
8. What is piece rate system?
9. What are non monetary incentives?
10. What is allocation of overheads?
11. Rate per hour – Rs. 3 per hour, time allowed – 20, time taken – 15 hours. Calculate total earnings of the worker under Halsey plan.
12. Explain any two features of unit costing?
13. Mention any two advantages of job costing?
14. What is sales budget?
15. What is budget centre?

(Ceiling: 25 Marks)

Part B (Paragraph questions)

Answer *all* questions. Each question carries 5 marks.

16. Material consumed 2,00,000 Productive wages 1,60,000 Direct expenses 10,000 Indirect wages 20,000 Factory supervision 8,000 Power and fuel 8,000 Depreciation of machine 12,000 Other factory expenses 2,000 Office salaries 36,000 Sundry expenses 8,000 Rent and rates (Office) 16,000 Bad debts 4,000 Carriage outward 6,000 Travelling expenses 5,000 Advertising 5,000. From the above particulars, prepare a cost sheet showing the components of total cost and profit for the year ended 31" December 2020.
17. What are the advantages of cost accounting?

(1)

Turn Over

18. Calculate machine Hour Rate from the following:

Cost of machine	-	19200
Estimated scrap value	-	1200
Average repair and maintenance charges per month	-	Rs. 150
Standing charges allocated to machine per month	-	50
Effective working life of machine	-	10,000 hours
Running time per month	-	166 hours
Power used by machine:	5 units per hour @ 19 paise per unit.	

19. What are the purposes of time keeping?

20. What are the objectives of unit costing?

21. 1,000 units of raw materials were introduced to Process 1 @Rs. 20 per unit. Direct labour and other expenses were Rs. 6,000 and Rs. 5,000 respectively. Normal loss is estimated that 10% of the units put into the process. Scrap value of the last units is Rs.4per unit.The actual output of the process was 920 units. Prepare Process 1 account, Normal loss account and Abnormal gain account.

22. Two components A and B are used as follows.

Normal usage	:	50 units per week each
Minimum usage	:	25 units per week each
Maximum usage	:	75 units per week each
Re-order quantity		
A	:	300 Units
B	:	500 Units
Re-order period		
A	:	4 to 6 weeks
B	:	2 to 4 weeks

Calculate:

- | | |
|--------------------|-------------------------|
| (a) Re-order level | (b) Maximum level |
| (c) Minimum level | (d) Average stock level |

23. A transport company is running 4 buses between two towns which are 50kms apart.

Seating capacity	-	50 passengers
Actual passengers carried	-	75% of seating capacity
No of days operated	-	30 days
Each bus made one round trip per day		
Calculate total passenger- kilometers		

(Ceiling: 35 Marks)

Part C (Essay questions)

Answer *all* questions. Each question carries 2 marks.

24. From the following information prepare Stores Ledger account on LIFO method:

2012 January 1	Opening stock 800 kg @ 9 each
January 3	Issued 320 kg
January 5	Purchased 250 kg (it) 9.30 each
January 7	Issued 200 kg
January 12	Purchased 450 kg @ 10.10 each
January 14	Issued 450 kg
January 16	Purchased 600 kg 10.50 each
January 18	Issued 550 kg
January 22	Purchased 300 kg @ Z 11 each
January 26	Issued 350 kg

On 15.1.2012 stock verification revealed a shortage of 8 kg. At the end of the month stock verification revealed a surplus of 4 kg.

25. Explain the methods of labour turnover?

26. Contractors LTD were engaged on one contract during the year. The contract price was Rs. 6,00,000. The trial balance on 31st Dec is given below:

Share capital	1,20,000
Sundry creditors	12,000
Land and Buildings	48,000
Bank	16,500
Contract Account:	
Materials	1,12,500
Plant	30,000
Wages	1,50,000
Expenses	15,000
Cash received (80% of work certified)	2,40,000

Of the Plant and materials charged to the contract, plant costing Rs.4,500 and materials costing Rs.3,600 were destroyed by fire. On 31 December plant which cost Rs.6,000 was returned to store. The Value of materials on site was Rs.4,500. Cost of uncertified work was Rs.3,000. Charge 10% depreciation on plant. Prepare Contract Account and Balance Sheet.

27. What do you mean by budgetary control? What are its advantages and disadvantages.?

(2 × 10 = 20 Marks)
