

20U411

(Pages: 2)

Name:

Reg. No:

FOURTH SEMESTER B.Com. DEGREE EXAMINATION, APRIL 2022

(CBCSS - UG)

(Regular/Supplementary/Improvement)

CC19U BCM4 B05 - COST ACCOUNTING

(Commerce - Core Course)

(2019 Admission onwards)

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 audit?
2. What is the main benefit of uniform costing?
3. Define material?
4. What is stores ledger?
5. What do you mean by carrying costs?
6. What is time keeping?
7. What is merit rating?
8. What is differential piece rate system?
9. What are non monetary incentives?
10. What is fixed overheads?
11. What is under absorption?
12. How is sale of scrap treated in cost sheet?
13. What is work certified?
14. Mention two examples for operating costing applicable?
15. Define a budget?

(Ceiling: 25 Marks)

Part B (Paragraph questions)

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

16. 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.

(1)

Turn Over

17. From the following information relating to the month of January 2010, prepare a cost sheet:

Direct materials consumed	Rs. 20,000
Direct wages paid	Rs. 15,000
Direct expenses	Rs. 5,000
Factory overheads	Rs. 8,000
Administration overheads	Rs. 5,000
Selling and distribution overheads	Rs. 4,000

1,000 units were produced during the period

18. What is inventory turnover ratio?

19. Write a note on material losses?

20. Calculate machine hour rate for the following machine:

Cost of machine	:	3,80,000
Freight and installation	:	20,000
Scrap Value	:	Nil
Working life	:	20 years
Working hours per annum	:	8,000 hours
Repair Charges	:	50% of depreciation
Lubricating Oil	:	20 per day of 8 hours
Consumable stores	:	10 per day of 8 hours
Wages of operator Power	:	50 per day of 8 hours
Power	:	10 units per hour @ Rs.2 per hour

21. Difference between job costing and process costing?

22. Difference between sales budget and production budget.

23. What are the limitations of standard costing?

(Ceiling: 35 Marks)

Part C (Essay questions)

Answer any *two* questions. Each question carries 10 marks.

24. Record following transactions in Stores Ledger using FIFO method:

- April; Opening balance 25 units valued at Rs 150
- 5 Issued 10 units 5.75 per unit
- 8 Issued 10 units
- 6 Receipt from B &, Company 50 units
- 10 Returns to B & Company 10 units
- 13 Issued 35 units

15 Receipt from X & Company 25 units @Rs, 6.10 per unit

17 Issued 10 units

19 Received replacement from B & Company 10 units

20 Returned from production department 5 units purchased from B Company

22 Transfer from Job No. 172 to 176 - 5 units

26 Issued 10 units

30 Shortage in stock taking 3 units

25. A company has three production departments and two service departments. Overhead distribution summary showed the following figures:

Production departments	:	A	25,000
		B	31,000
		C	28,000
Service departments	:	X	8,000
		Y	13,900

The costs of service departments are charged out on a percentage basis as follows:

	A	B	C	X	Y
Department X	30%	20%	40%	-	10%
Department Y	40%	15%	25%	20%	-

Apportion the costs of service departments to the production departments using simultaneous equation method.

26. What is cost sheet? Explain various items of cost included in cost sheet.

27. Explain how will you classify expenses in the preparation of operating cost sheet.

(2 × 10 = 20 Marks)
