

31. Prepare store ledger under:

(i) FIFO (ii) LIFO and (iii) Weighted average method.

April 1st Opening Balance 2500 units @ Rs.100

3rd Purchased 1200 units @ Rs. 120

4th Issued 1500 units

8th Purchased 900 units @ Rs. 130

10th Refund from work order 250 units.

16th Issued 1750 units.

25th Purchased 1350 units @ Rs. 125

27th Issued 1300 units.

30th Issued 500 units.

(2 × 15 = 30 Marks)

(4)

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(Pages: 4)

Name:

Reg. No:

THIRD SEMESTER B.Com. PROFESSIONAL DEGREE EXAMINATION, NOV 2023

(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. Warehousing cost is part of
(a) production overhead (b) Selling overhead
(c) Administration overhead (d) Distribution overhead
2. LIFO method of valuing material issues is suitable in time of
(a) Falling prices (b) Fluctuating Price (c) Raising Prices (d) None of these
3. Under Gantt task and bonus plan, no bonus is payable to a worker if his efficiency is less than
(a) 66.6 % (b) 83.3% (c) 100 % (d) 50%
4. Fixed cost per unit decreased when
(a) Volume of production decreased (b) Volume of production increased
(c) Volume of sales increases (d) Volume of sale decreases
5. Aggregate of prime cost and factory overhead is known as
(a) Work cost (b) Total cost (c) Cost of production (d) Office cost
6. department is concerned with selection and training of workers.
7. In printing press costing is used.
8. Bin Card is maintained by
9. Cost of abnormal idle time is transferred to
10. Factory rent should be apportioned to various departments on the basis of

(10 × 1 = 10 Marks)

Part II

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

11. Define cost accounting.
12. What is labour turnover? Enlist its reasons.

(1)

(Turn Over)

13. Calculate the earnings of Mr. Sachin for a day under Taylor’s differential piece rate system.

- Standard output - 120 units in a day of 8 hours
- Low piece rate - Rs. 1.50 per unit
- High piece rate - Rs. 2.00 per unit

In a day of 8 hours Mr. Sachin has produced 100 units.

- 14. Comment on factory overhead.
- 15. What is prime cost?
- 16. How do you treat overtime wages in cost accounting?
- 17. Point out the advantages of ABC analysis.
- 18. What is the need of reconciliation of cost and financial statement?
- 19. Write a short note on purchase requisition.
- 20. What you mean by reapportionment of overhead?

(8 × 2 = 16 Marks)

Part III

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

- 21. Calculate EOQ from the following
 - Annual usage : 600 units
 - Buying cost per order : Rs. 12
 - Cost of carrying inventory : 20% of cost
 - Cost per unit : Rs. 20
- 22. Briefly explain the role played by material control in cost control and cost reduction.
- 23. Discuss the different basis on which overhead can be apportioned.
- 24. Prepare a cost sheet of the following data relating to the manufacture of Jeans:

- Number of Jeans manufactured during the month 1,000
- Direct materials consumed 20,000
- Direct labour 8,000
- Indirect labour (in factory) 2,500
- Factory premises rent 2000
- Factory lighting 1000
- Office and administrative overheads 8,000
- Selling and distribution overheads 6,000

A profit margin of 20% on the total cost of goods is expected on the sale of Jeans.

25. Distinguish between time rate and piece rate system of wage.

(2)

26. “Difference in profit presented in cost and financial book may be due to certain reason”. Discuss.

27. A Worker takes 6 hours to complete a job under a scheme of payment by results. The standard time allowed for the job is 9 hours. His wage rate is Rs. 1 per hour. Material cost of the job is Rs. 120 and the overheads are recovered at 15% of the total wages.

Calculate the factor:

A) Rowan and B) Halsey incentive system

28. Two components of A and B are as follows.

- Normal usage 50 units per week of A and B
- Minimum usage 25 units per week of A and B
- Maximum usage 75 units per week of A and B
- Reorder quantity A: 300 Units B: 500 Units
- Reorder period A: 4 to 6 Weeks. B: 2 to 4 Weeks

Calculate for each component of A and B:

- A) Reorder level B) Minimum Level
- C) Maximum Level D) Average stock level

(6 × 4 = 24 Marks)

Part IV

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

- 29. What is incentive plan? Discuss any five incentive plans with its merits and demerits.
- 30. A company has three production departments and two service departments. Following details relating to overheads analyzed to production and service departments is made available to you

| Production Department | Service Department |
|-----------------------|--------------------|
| A – 70000 | P – 18000 |
| B – 63000 | Q – 30000 |
| C – 40000 | |

The expenses of service department are apportioned as follows:

| | A | B | C | P | Q |
|----------------------|-----|-----|-----|-----|-----|
| Service Department P | 25% | 35% | 30% | - | 10% |
| Service Department Q | 30% | 25% | 30% | 15% | - |

You are required to allocate the service department costs over the production departments using the simultaneous equation method.

(3)

(Turn Over)