



K23U 2872

Reg. No. :

Name :

V Semester B.Com. Degree (CBCSS – Supplementary)
Examination, November 2023
(2017 and 2018 Admissions)
Core Course
5B10COM : COST ACCOUNTING

Time : 3 Hours

Max. Marks : 40

PART – A

Answer **all** questions. **Each** question carries $\frac{1}{2}$ mark.

1. The portion of work certified and retained by the contractee till the contract is completed or till the expiry of a stipulated period is
2. The additional cost incurred for the production of an additional unit is
3. The job-wise analysis of time of direct workers is
4. _____ is an unavoidable loss which occurs due to the inherent nature of material and production process under normal conditions. (4× $\frac{1}{2}$ =2)

PART – B

Answer **any four** questions. **Each** carries **one** mark.

5. What is cost unit ?
6. What is wastage ?
7. What is escalation clause ?
8. What is standing costs ?
9. What is apportionment of overheads ?
10. What is Batch costing ? (4×1=4)

P.T.O.



PART – C

Answer **any six** questions (**not exceeding one** page). **Each** carries **three** marks.

11. What is Stock taking and explain the different types of it.
12. What are the components of prime cost ?
13. What is Time keeping ? What are the methods used for time keeping ?
14. Explain the functionwise classification of cost.
15. Calculate Economic Order Quantity from the following information :

Annual usage	:	600 units
Cost of placing an order		Rs. 12
Price of material/unit		Rs. 20
Cost of storage		20%
16. Calculate the earnings of a worker under Halsey plan and Time rate system.

Standard time = 20 hours
Time taken = 15 hours
Hourly wage rate = Rs. 20
17. Vijay Ltd. produces a standard product. It furnished the following cost information for the month ending 30-9-2020.

Particulars	Amount (Rs.)
Material consumed	80,000
Direct labour	55,000
Factory overheads	33,000

Selling overheads at Rs. 2 per unit

Number of units produced 4,200

Number of units sold – 4000 at Rs. 45 per unit

Prepare cost sheet from the above showing :

- a) Cost of production for the period,
- b) Cost per unit,
- c) Profit for the period,
- d) Profit per unit.



18. From the following information calculate :

- a) Maximum level
- b) Minimum level
- c) Reorder level
- d) Average stock level

Normal consumption – 800 units per week
 Minimum consumption – 400 units per week
 Maximum consumption – 1,200 units per week
 Reorder quantity – 4800 units
 Time required for delivery :
 Minimum – 4 weeks and
 Maximum – 6 weeks

(6×3=18)

PART – D

Answer **any two** questions carrying **8 marks each** :

19. Dingal Industries Ltd. has three production departments A, B and C and two service departments X and Y. The following particulars are extracted from the books of the company for the month of January 2020.

	Rs.
Rent	15,000
Municipal taxes	5,000
Electricity	2,400
Indirect wages	6,000
Power charges	6,000
Depreciation of machinery	40,000
Canteen expenses	30,000
Labour welfare expenses	10,000

The following are further details available :

Items	Total	A	B	C	X	Y
Floor area (sq. ft.)	5,000	1,000	1,250	1,500	1,000	250
Light points (No.s)	24	4	6	8	4	2
Direct wages (Rs.)	40,000	12,000	8,000	12,000	6,000	2,000
HP of machine	15	6	3	5	1	-
Cost of machine (Rs.)	2,00,000	48,000	64,000	80,000	4,000	4,000
Working hours	6114	1868	1208	1220		



The service department expenses are re-apportioned in the following ratios :

	A	B	C	X	Y
X is shared in the proportion	2	3	4	–	1
Y is shared in the proportion	4	.2	3	1	–

Prepare :

- 1) The overhead distribution summary.
 - 2) Statement of re-apportionment of service department cost using repeated distribution method.
 - 3) Calculate overhead absorption rate.
20. The following balances were extracted from the book of a building contractor at 31st March 2009 :

Particulars	Amount (Rs.)
Materials issued to site	67,720
Wages paid	73,455
Wages outstanding on 31-3-2009	720
Plant issued to site	6,000
Direct charges	2,725
Establishment charges	5,650
Stock of materials at site on 31-3-2009	1,200
Value of work certified at 31-3-2009	1,65,000
Cost of work not yet certified	8,500
Cash received from contractee	1,41,075

The work was commenced on 1st April, 2008 and the contract price agreed at Rs. 2,45,000. Prepare contract account for the year, providing for depreciation of plant at 25%. Set out the contractors balance sheet so far as it relates to the contract.

21. 900 units were introduced from process X to Y at a cost of Rs. 60 per unit. The expenses of the process were – Labour Rs. 12,000, Materials Rs. 3,240 and overhead at 50% of labour. Normal wastage expected in the process was 10% of the units introduced to the process with a scrap value of Rs. 8 per unit. The actual output of the Process Y was 820 units to be transferred to Process Z.
- Prepare Process Y account, Abnormal Gain Account and Normal Wastage Account.

(2×8=16)