



K16U 1478

Reg. No. :

Name :

V Semester B.B.A. Degree (CCSS – Supple./Imp.)
Examination, November 2016
B.B.A. – Core Course
5B11 BBA : COST ACCOUNTING
(2012 – 13 Admissions)

Time : 3 Hours

Max. Weightage : 30

PART – A

This Part consists of **two** bunches of questions carrying **equal** weightage of **one**.
Each bunch consists of **four** objective type questions. Answer **all** questions.

I. Choose the correct answer :

1) Variable cost per unit is always

- | | |
|------------------|-------------|
| a) variable | b) fixed |
| c) semi-variable | d) changing |

2) Advertisement expenses are _____ overheads.

- | | |
|-----------------|------------------|
| a) office | b) selling |
| c) distribution | d) none of these |

3) Machine hour rate is the cost of running a machine

- | | |
|-------------|--------------|
| a) per day | b) per hour |
| c) per week | d) per annum |

4) _____ is a record of quantity and value of materials.

- | | |
|------------------|-----------------------|
| a) bin card | b) stores ledger |
| c) cost accounts | d) financial accounts |

(W. = 1)

P.T.O.



II. Fill in the blanks :

- 5) Prime cost is the total of _____
- 6) Total cost is made up of _____
- 7) In cost accounting stock is valued at _____
- 8) EOQ is _____

(W. = 1)

PART – B

Answer **any eight** questions in **one** or **two** sentences **each**. **Each** question carries a weightage of **one**.

- 9) What is cost unit ?
- 10) What do you mean by historical cost ?
- 11) What is VED analysis ?
- 12) What is normal idle time ?
- 13) What is time wages ?
- 14) What is allocation of expenses ?
- 15) What is scrap ?
- 16) What is cost plus contract ?
- 17) What do you mean by FIFO ?
- 18) Define costing. (W. 8×1 = 8)

PART – C

Answer **any six** questions. Answer **not** to exceed **one** page. **Each** carries a weightage of **two**.

- 19) Explain ABC analysis of inventory.
- 20) What do you mean by uncertified work in a contract ?



- 21) What is a cost center ?
- 22) What are direct expenses ? Explain.
- 23) Compute stock levels from the following data :

Minimum usage	– 25 units per week
Maximum usage	– 75 units per week
Re-order period	– 4 to 6 weeks
Re-order quantity	– 400 units

- 24) Prepare stores Ledger Account from the following using FIFO method.

Receipts : 4-9-2014 – 200 units @ ₹ 24 per unit

18-9-2014 – 400 units @ ₹ 23 per unit

22-9-2014 – 300 units @ ₹ 25 per unit

Issues : 5-9-2014 – 250 units

12-9-2014 – 200 units

25-9-2014 – 250 units

- 25) X Ltd., has undertaken a contract work on 1st October 2013. The position of the contract on 30th September 2014 is given below.

Prepare Contract A/c.		₹			₹
Contract price	–	27,00,000,	Plant at site	–	1,60,000
Materials	–	5,80,000,	Materials at site	–	40,000
Wages paid	–	11,24,000,	Work certified	–	16,00,000
Other expenses	–	28,000,	Cash received	–	12,00,000
Wages payable	–	36,000,	Work uncertified	–	80,000
Other expenses due	–	4,000			

Plant at site is to be depreciated at 10%.



26) The standard time allowed for completing a job is 48 hours. Worker A completes it in 36 hours and worker B does it in 12 hours. Calculate the earnings of the workers under

- a) Halsey Plan and
b) Rowan Plan. R/hr is ₹ 2.

(W. 6×2=12)

PART – D

Answer **any two**. Each question carries a weightage of **four**.

27) What is perpetual inventory system ? Discuss its advantages and disadvantages.

28) The product B is obtained after 3 distinct Processes. 1000 units at ₹ 3 per unit were introduced to process I. There is no work-in-progress in any process. Prepare Process Accounts from the details :

	Processes		
	I	II	III
Materials (₹)	2600	1980	2962
Direct Wages (₹)	2000	3000	4000
Production overhead (₹)	2000	3000	4000
Output (units)	950	840	750
Normal loss (units)	5%	10%	15%
Scrap value (₹) per unit	2	4	5

29) A company has 3 production departments P_1 , P_2 and P_3 and 2 service departments S_1 and S_2 . Show how service department overheads are apportioned to production departments under Simultaneous Equation method :

Expenses as per primary distribution :

P_1 – ₹ 16,000, P_2 – ₹ 14,000, P_3 – ₹ 10,000, S_1 – ₹ 4,680, S_2 – ₹ 6,000.

Expenses of service departments are charged on the following basis :

Service Dept.	P_1	P_2	P_3	S_1	S_2
S_1	20 %	40%	30%	–	10%
S_2	40%	20%	20%	20%	–

(W. 2×4=8)