M 2089



Reg. No. : ..............................

Name : ..............................

# V Semester B.A./B.Sc./B.Com./B.B.A./B.B.A. T.T.M./B.B.M./B.C.A./B.S.W./ B.A. Afsal Ul Ulama Degree (CCSS – Reg./Supple./Improve.) Examination, November 2012
## CORE COURSE IN COMMERCE
## 5B09 COM : Cost Accounting

Time: 3 Hours | Max. Weightage : 30

PART – A

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

I. Fill in the blanks :

1. _____________ is the technique of ascertaining cost.
2. _____________ cost are partly fixed and partly variable.
3. The cost of abnormal idle time is charged to ___________
4. Under piece rate system, payment is made according to the ____________

II. 5. Time Cost may be

a) Fixed cost
b) Variable cost
c) Semi variable cost
d) Prime cost

6. FIFO method of stock valuation is useful when

a) Prices go up
b) Prices remain fixed
c) Prices decline
d) None of these

7. Which of the following statements is correct ?

a) Integral or integrated accounting are the same
b) Both of them are different
c) Integrated accounting is based on double accounting system
d) Both of them are not accounting concepts

8. Process costing method is used for

a) Transport service
b) Ship building
c) Soap making
d) Printing Press

(2×1=2)

PART – B

Answer **any 8** questions in **one** or **two** sentences **each**. **Each** question carries a weightage of **one**.

9. Define costing.
10. What do you mean by cost unit ?
11. Define overheads.
12. What is EOQ ?
13. Define idle time.
14. What do you mean by standing charges ?
15. What do you mean by composite cost unit ? Give example.
16. What is Escalation clause in contract accounts ?
17. What do you mean by work uncertified ?
18. What is abnormal gain ? **(W=8×1=8)**

PART – C

Answer **any 6** questions. **Each** question carries a weightage of **two**.

19. What do you mean by VED Analysis ?
20. What is by-product and how is it different from joint product ?
21. Distinguish between time keeping and booking.
22. What are the objectives of cost accounting ?

23. Calculate the Re ordering level of a firm, information regarding whose materials being used are as under :

    i) Minimum limit 1000 units

    ii) Maximum limit 5000 units

    iii) Daily requirement 200 units

    iv) Time required for fresh delivery 10 days.

24. Calculate the earnings of workers X and Y under straight piece rate system and Taylor's Differential piece rates system from the following information.

    Normal rate per hour = Rs. 3.60

    Standard time per unit = 20 seconds

    Differential to be applied

    Blow standard – 80%

    At or above standard – 120%

    Worker X produces 2600 units per day.

    While worker Y produces 3000 units per day.

25. From the following particulars calculate Machine Hour Rate :

    a) Cost of Machine Rs. 16,000

    b) Estimated Scrap value Rs. 1,000

    c) Estimated life of machine 1000 hours

    d) Working hours for four weeks 160 hours

    e) Repairs, maintenances charges for a month Rs. 120

    f) Standing charges attributed to the machine for a month Rs. 40

    g) Power used by machine @ 85 paise per hour.

26. In a process 1200 units were put in @ Rs. 2 per unit.

    Besides these material of Rs. 2,000, Labour Rs. 2,500 and other exp. of Rs. 500 were also incurred. It is expected that 10% of the total units put in are normally wasted. Which realise 10 paise per unit. The production was of 1000 units. Make out process account. **(W=6×2=12)**

## PART – D

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

27. A building contractor gives the following information and ask you to prepare Contract A/c.

| | Rs. |
|---|---|
| Plant | 30,000 |
| Materials | 75,000 |
| Wages | 45,000 |
| Expenses | 15,000 |
| Contract price | 3,00,000 |
| Certified work | 1,35,000 |

Cash received – 25% of work certified.

At the end of the year.

Work not certified Rs. 12,000, materials at site Rs. 3,000, Depreciation on plant 10%.

28. From the following particulars prepare :

a) Statement of profit as per cost accounts.

b) P & L account and

c) A Reconciliation statement.

| | Rs. |
|---|---|
| Raw materials consumed | 14,600 |
| Wages | 23,200 |
| Factory expenses | 22,840 |
| Office expenses | 12,420 |
| Sales | 88,400 |

Works indirect expenses are 100% and office indirect expenses are 20% of works cost.

29. Explain the procedure to ascertain profit on incomplete contracts. **(W=2×4=8)**