

Reg. No. :

Name :

V Semester B.Com. Degree (CCSS – Reg./Supple./Imp.)**Examination, November 2014****CORE COURSE IN COMMERCE****5B09 COM : Cost Accounting****(2012 Admission)**

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 a segment of business that is responsible for all activities involved in the production and sale of products, systems and services.
2. Under differential time rate workers are paid _____ according to their skills.
3. Per cubic meter is a cost unit used
 - a) Brewery
 - b) Paper
 - c) Gas
4. Cost of special drawings is an example
 - a) Chargeable expenses
 - b) Indirect material
 - c) Indirect labour

(W = 1)

II. 5. Abnormal gain is written on the credit side of the process account. (True/False).

6. Labour cost may be treated as direct charges and allocated to department on direct labour hour rate. (True/False).

7. Consumption = 600 units; ordering cost Rs. 12 carrying cost 20%; price per unit Rs. 20. EOQ :

- a) 60 units
- b) 20 units
- c) 70 units
- 80 units

P.T.O.



8. Interior quality of material or bad workmanship.
- Legitimate scrap
 - Administrative scrap
 - Defective scrap.

(W = 1)

PART – B

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

- What is time booking ?
- What do you understand by simultaneous equation method ?
- Define cost centre.
- What is bin card ?
- Write the formulae of Overhead Rate.
- Explain Escalation Clause.
- Distinguish between costing and cost accounting.
- From the following information, calculate normal output and per unit
 Normal cost : 150 units
 Abnormal wastage : 30 units
 Selling price of wastage Rs. 15 per unit
 Amount debited to P&L A/c.
 in relation to abnormal wastage Rs. 500.
- From the following calculate total km and total passenger km : Buses : 8; days operated in a month : 25; Trips made by each bus : 2; Distance : 20 km (one side) Capacity : 80 passengers; Normal passengers travelling 90% capacity.
- Calculate the earnings of a worker under Halsey premium plan.
 Time allowed = 48 hours
 Time taken = 40 hours
 Rate per hour = Rs. 10

(W = 8×1=8)

PART – C

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

- What is continuous stock verification ? What are the differences between continuous stock taking and periodic stock taking ?



20. From the following data prepare a statement showing the cost per day of 8 hours of engaging a particular type of labour.

- a) Monthly salary (basic plus DA) Rs. 2,000
- b) Leave salary 5 percent
- c) Employer's contribution to PF 8% of salary (items a and b)
- d) Employer's contribution to state insurance 2 1/2% of salary (items a and b)
- e) Pro-rata expenditure and amenities to labour Rs. 179.50 per head per month
- f) No. of working hours in a month 200

21. Describe briefly the nature and characteristics of cost accounting.

22. During the years ended 31st March, the factory overhead costs of three production departments of an organisation are as under :

X : Rs. 48,950

Y : Rs. 89,200

Z : Rs. 64,500

The basis of apportionment of overheads is given below :

X : Rs. 5.00 per machine hour for 10,000 hour

Y : 75% of direct labour cost of Rs. 1,20,000

Z : Rs. 4 per piece for 15,000 pieces

Calculate department wise under-of-over absorption of overheads and present the data in a tabular form.

23. What do you understand by job order costing ? What are the main features of this method ?

24. How much profit, if any, would you allow to be considered in the following case ?

| | Rs. |
|-------------------------|---------------------|
| Contract cost | 2,80,000 up-to-date |
| Contract value | 5,00,000 |
| Cash received | 2,70,000 |
| Uncertified work | 30,000 |
| Deduction from bills by | |
| Way of security | 10% |

25. What are Joint Products ? Enumerate the methods which may be used in joint products in cost determination.



26. From the following particulars of a colliery mine for the month of April 2013. Prepare a cost sheet.

| Wages : | Rs. | |
|------------------------------|--------|--------------|
| Under ground | 15,000 | |
| Surface | 2,500 | |
| Working expenses : | | |
| Repairs | 600 | |
| Timber | 350 | |
| Royalties | 500 | |
| Stable expenses | 150 | |
| Stores | 200 | |
| Rent | 300 | |
| Administrative expenses : | | |
| General administration | 700 | |
| Saleable Tom raised 500 ton. | | (W = 6×2=12) |

PART – D

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

27. A workman takes a hours to complete a job on daily wages and 6 hours on a scheme of payment by results. His day rate is 25 paise per hour. The material cost of the product is Rs. 4 and the factory overheads are recovered at 150% of the total direct wages. Calculate the factory cost of the product under :

- i) The piecework plan
- ii) The Halsey plan
- iii) The Rowan plan.

28. The following expenses have been incurred in respect of a shop having four identical machines :

| | |
|---|-------------------|
| Rent | Rs. 6,000 p.a. |
| Power consumed by the shop @ 10 paise per unit | Rs. 4,800 p.a. |
| Repairs | Rs. 1,000 p.a. |
| Lighting | Rs. 800 p.a. |
| Supervisors salary | Rs. 600 per month |
| Lubricants a/c | Rs. 100 per month |
| Depreciation per machine | Rs. 600 p.a. |
| Higher-purchase instalment (including interest of Rs. 300/ Rs. 800) | |

There are two attendants in the shop each getting Rs. 60 per month. Each machine consumer 10 units of power per hour. Calculate the machine hour rate.

29. What is meant by collection of overhead ? Mention the main documents from where overhead expenses are collected.

(W = 2×4=8)