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K19U 2303

Reg. No. :

Name :

V Semester B.Com Degree (CBCSS-Reg./Sup/Imp.)

Examination, November - 2019

(2014 Admn. Onwards)

CORE COURSE

5B10COM : COST ACCOUNTING

Time : 3 Hours

Max. Marks : 40

SECTION - AAnswer **All** questions Each carries $\frac{1}{2}$ mark.(4× $\frac{1}{2}$ =2)

1. The aggregation of indirect material cost, indirect wages and indirect expenses is known as _____.
2. _____ is a quantitative record of materials kept in store.
3. Fringe benefits are _____ benefits given by employer to employee in addition to salary and wages.
4. Work certified is always valued at _____.

SECTION - BAnswer any **Four** questions. Each carries **One** mark.

(4×1=4)

5. Define Cost?
6. What is Prime cost?
7. What is perpetual inventory system?
8. What is under absorption of overheads?
9. Define joint products.
10. What is cost plus contract?

P.T.O.



SECTION - C

Answer any **six** questions (not exceeding one page). Each carries **three** marks. **(6×3=18)**

11. Enumerate the elements of cost.
12. Explain the terms waste, scrap, spoilage and defective.
13. What is time keeping? What are the methods used for time keeping?
14. Distinguish between allocation and apportionment of over heads.
15. The following information has been obtained from the records of ABC Ltd for the year 2012. Prepare cost sheet from the following information:

	Units	Rs.
Sales	1,00,000	10,00,000
Material (01.01.2012)		50,000
Material (31.12.2012)		35,000
Work-in-Progress (01.01.2012)		45,000
Work-in-Progress (31.01.2012)		60,000
Finished goods (01.01.2012)	20,000	1,00,000
Finished goods (31.01.2012)	40,000	?
Materials purchased		2,00,000
Direct Labour		1,60,000
Manufacturing overhead		1,20,000
Selling Overhead		1,10,000
General Expenses		50,000

16. Two components A and B are used as follows:

Normal usage - 1,200 units

Maximum usage - 1,800 units

Minimum usage - 600 units

Re-order quantity

A - 9,600 units

B - 14,400 units

Re-order period

A - 4 to 6 weeks

B - 2 to 4 weeks

Calculate for each component

a) Re- order level

b) Minimum level

c) Maximum level

d) Average Stock Level



17. Worker A finishes a job in 8 hours and worker B finishes the job in 12 hours. The standard time allowed for completing the job is 20 hours and the standard rate per hour is Rs. 5. Calculate the earnings of workers under Halsey and Rowan plans. Also calculate the effective hourly rate.
18. In a factory the following expenses are incurred:
- a) Power consumption of the machine Rs. 9000 p.a
 - b) Repairs and maintenance for the entire working life of the machine Rs. 16,000
 - c) Oil, waste etc. used for this machine Rs. 1,800 p.a
- Other expenses of the entire factory for the year:
- i) Rent and rates Rs 27,000
 - ii) Lighting Rs 1,200
 - iii) Supervision Rs 3750
 - iv) Sundry expenses Rs 15,000

Other information:

Area of the factory is 10,000 Sqft. Area occupied by the machine is 2,000 Sqft.. Cost of the machine is Rs. 60,000. Estimated life of the machine is 10 years. There are 16 workers in the factory out of them 4 attended to this machine. The degree of supervision is $\frac{2}{5}$ th to this machine. The factory will work for 2,000 hours per annum. Calculate machine hour rate.

SECTION - D

Answer any **Two** questions Each carries **Eight** marks. (2×8=16)

19. Product X passes through three processes A, B and C. In each process 2% of total input is lost and 10% is scrap. The scrap is sold at Rs. 50 per kg in process A and B and Rs. 10 per kg in process C. The details of three processes are given below:

	A	B	C
Passed to next process	75%	50%	-
Sent to Ware house	25%	50%	100 %
Expenses:			
Raw materials (Rs)	60,000	14,000	50,000
Raw materials (Kg)	1,000	140	1,348
Direct wages	10,250	9,260	8,000
General expenses	5,150	3,620	1,500

Prepare process accounts and ascertain cost per kg of each process.



20. Contractors Ltd. were engaged on one contract during the year .The contract price was Rs. 6,00,000. The trial balance on 31st December is given below:

	Rs.	Rs.
Share Capital		1,20,000
Sundry creditors		12,000
Land and Buildings	48,000	
Bank	16,500	
Contract account:		
Materials	1,12,500	
Plant	30,000	
Wages	1,50,000	
Expenses	15,000	
Cash received (80% of work certified)		2,40,000
	<u>3,72,000</u>	<u>3,72,000</u>

Of the plant and materials charged to the contract, plant costing Rs. 4,500 and materials costing Rs. 3,600 were destroyed by fire. On 31st December plant which cost Rs. 6,000 was returned to store. The value of materials on site was Rs. 4,500. Cost of uncertified work was Rs. 3,000. Charge 10% depreciation on plant. Prepare Contract account and Balance sheet.

21. From the following details, write up stores Ledger Account under FIFO method.

January 1	Opening balance 100 units at Rs. 5 each
January 5	Received 500 units at Rs 6.
January 7	Issued 300 units
January 9	Issued 100 units
January 12	Received 500 units at Rs. 5
January 14	Received 400 units at Rs. 5.50
January 20	Issued 350 units.
January 24	Issued 150 units.
January 27	Received 250 units at 5.75
January 31	Issued 200 units

The stock verifier found shortage of 10 units on 16 January and another shortage of 15 units on 26 January.