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Reg. No.....

Name.....

B.Com. DEGREE (C.B.C.S.S.) EXAMINATION, OCTOBER 2019

Fifth Semester

Core Course 13—COST ACCOUNTING

(Common for Model I and Model II and U.G.C. Sponsored B.Com. Degree Programme)

[2013 to 2016 Admissions]

Time : Three Hours

Maximum Marks : 80

Answers may be written either in English or in Malayalam.

Part A

Answer all questions.

Each question carries 1 mark.

1. What is Cost Unit ?
2. Define Prime Cost.
3. What is Cost Sheet ?
4. What is Sunk Cost ?
5. What is a Bin card ?
6. Define Time Booking.
7. What do you mean by semi-variable overheads ?
8. What is Labour Turnover ?
9. Explain JIT.
10. Define Fixed Cost.

(10 × 1 = 10)

Part B

Answer any eight questions.

Each question carries 2 marks.

11. What do you mean by Cost Accounting ?
12. Distinguish between 'Work Cost' and 'Work-on-cost'.
13. What is purchase requisition ?
14. Write a short note on 'Material Transfer Note'.

Turn over

15. Distinguish between 'Ordering Cost' and 'Carrying Cost'.
16. What is meant by perpetual inventory system ?
17. Discuss Halsey Plan of wage payment.
18. State any four merits of Time Wage System.
19. What do you mean by distribution of overheads ?
20. What is meant by over-absorption of overheads ?
21. A factory buys and uses a component for production at Rs. 10/unit. The annual requirement is 2000 units. Carrying cost is 10% of inventory and ordering cost is Rs. 40 per order. Calculate EOQ ?
22. There were 8000 workers in a factory on 1st January 2018. New entrants in service during the year were 400 and leavers 200. Calculate Labour Turnover rate under Flux method.

(8 × 2 = 16)

Part C

Answer any six questions.

Each question carries 4 marks.

23. State the reasons for disagreement between costing and financial results.
24. What do you understand by 'Elements of cost'. Explain in detail.
25. Define idletime and how should it be treated in cost accounts.
26. What are the essential features of a good wage system ?
27. Define machine hour rate and state its merits and demerits.
28. From the following information, calculate :
 - (a) Re-order level ;
 - (b) Maximum level ;
 - (c) Minimum level ; and
 - (d) Average stock level.
 - (i) Re-order quantity 3600 units.
 - (ii) Re-order period 6 to 9 weeks.
 - (iii) Normal usage 450 units per week.
 - (iv) Maximum usage 675 units per week.
 - (v) Minimum usage 225 units per week.
29. What earnings will a workman received under Halsey and Rowan schemes if he executes a piece of work in 60 hours as against 75 hours allowed. His hourly rate is Rs. 2 and he is paid 50% of the time saved under Halsey scheme. He gets a dearness allowance of Rs. 8 per day of 8 hours worked in addition to his wages.

30. The following data relate to the manufacture of standard product during the month of March 2018 :

Raw materials consumed	Rs. 80,000
Direct wages	Rs. 48,000
Machine worked hours	-8,000
Machine Hour Rate	Rs. 4
Office overhead	10% of workcost
Selling overhead	Rs. 1.50 per unit
Units produced	4,000
Units sold	3600 @ Rs. 50

You are required to prepare Cost Sheet.

31. Prepare Stores Ledger account from the following details of receipts and issues of materials. The basis of valuation of issues is simple average price.

Receipts			Issues	
Date	Qty (kg.)	Rate	Date	Qty (kg.)
December 4	200	10 per kg.	December 6	100
December 18	300	12 per kg.	December 20	200
December 22	100	16 per kg.	December 25	300

(6 × 4 = 24)

Part D

Answer any **two** questions.

Each question carries 15 marks.

32. Explain material control. Describe its objectives.
33. State and explain the differences between Cost Accounting and Financial Accounting.
34. On the basis of the following information find out profit as financial accounts :-
- Profit as per Cost Accounting - Rs. 75,000.
 - Over recovery of factory over heads in cost accounts 7,000.
 - Under recovery of office overheads in cost accounts 5,000.
 - Reserve for Bad debts - 500.
 - Profit received on investment 750.

Turn over

(vi) Bank charges 450.

(vii) Provision for income tax 10,000.

(viii) Excess depreciation written in financial books - 2,500.

35. The following information is available from the departmental distribution summary of company :

Production Departments : Service Departments :

A -	1800	P -	234
B -	1700	Q -	300
C -	1500		

Additional information :

	A	B	C	P	Q
Service Department P	20%	40%	30%	-	10%
Service Department Q	40%	20%	2%	20%	-

Prepare secondary distribution summary by using Simultaneous Equation Method.

(2 × 15 = 30)