B.A DEGREE (CBCS) REGULAR / IMPROVEMENT / REAPPEARANCE EXAMINATIONS, JANUARY 2023

Third Semester

B.A Corporate Economics Model III

Core Course - EC3CRT08 - COST ACCOUNTING

2017 Admission Onwards

5608CFB7

Time: 3 Hours

Max. Marks : 80

Part A

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. Explain cost classification on the basis of function.

2. Describe "Cost Control".

3. What is material costing?

4. What are the advantages of weighted average method of pricing issues?

5. Distinguish between direct labour and indirect labour.

6. Distinguish between Normal Idle time and abnormal idle time.

7. How are overtime wages treated in cost accounts?

8. Explain the advantages of Taylor's Differential Piece rate system.

9. Explain Rowan Premium Plan.

10. What is meant by primary distribution of overheads?

11. Explain

    a) allocation and b) apportionment.

12. What is work in progress? How is it recorded in cost sheet?

(10×2=20)

Part B

*Answer any **six** questions.*

*Each question carries **5** marks.*

13. Explain the significance of cost accounting.

14. Distinguish between cost accounting and financial accounting.

15. What is meant by LIFO method? Explain the disadvantages of LIFO method.

16. Describe the various methods of pricing issues of materials.

17. a) What is Taylor's differential system?

b) Calculate the earnings of workers A&B using Straight piece rate and Taylor's method

Normal rate /hour=1.80

Standard time per unit=20 second

Worker A produces 1300 units and B produces 1500 units

Differentials to be applied: 80% below standard and 120% above standard

18. From the following particulars, calculate the earnings of worker X and Y for a day under (a) Straight Piece rate system (b) Taylor's Differential Piece rate system:

Standard production 10 units per hour

Normal time rate Rs. 5 per hour

Differentials to be applied:

80% piece rate below standard

120% of piece rate above standard.

Hours of the day =8

Output of X = 75 units

Output of Y = 100 units

19. What is time wage system?

20. There are three production departments X,Y and Z. The following are the items of overhead for one year.

Indirect labour	Rs.
X	3,000
Y	2,000
Z	1,000
Rent Charges	12,000
Repair to plant	3,000
Lighting	2,000

Additional informations are available

	X	Y	Z
Floor area(sq.ft)	3,000	2,000	1,000
Value of plant(Rs)	20,000	10,000	30,000
Number of light points	40	30	30

Prepare a statements showing the allocation and apportionment of overheads.

21. Calculate the prime cost from the following particulars

	Rs
Opening stock of raw materials -	25000
Closing stock of raw materials-	35000
Carriage outward-	2500
Loading and unloading charges-	500
Purchases-	50000

(6×5=30)

Part C

*Answer any **two** questions.*

*Each question carries **15** marks.*

22. Explain the Elements of Cost.

23. The following particulars have been extracted in respect of material X. Prepare Stores Ledger account showing the receipts and issues, pricing the materials issued on the basis of Simple Average Method.

Receipts:

3rd Oct.   Purchased500 units at Rs. 4.00 per unit.

13th Oct.   Purchased 900 units at 4.30 per unit

23rd Oct.   Purchased 600 units at 3.80 per unit

Issues:

5th Oct.   Issued 400 units

15th Oct.   Issued 400 units

25th Oct.   Issued 600 units

24. What is re-apportionment of overheads? Explain the various re-apportionment methods with appropriate examples.

25. What is a cost sheet? Give a Performa of the cost sheet.

(2×15=30)