



Reg. No. :

Name :

Fifth Semester B.Com. Degree Examination, December 2018
First Degree Programme under CBCSS
Core Course : CO 1542/CC 1543/CX 1543/HM 1543/TT 1543
COST ACCOUNTING
(2014 Admn. Onwards)
**(Common for Commerce/Commerce with Computer Application/
Commerce and Tax Procedure and Practice/Commerce and Hotel
Management and Catering/Commerce and Tourism and Travel
Management)**

Time : 3 Hours

Max. Marks : 80

SECTION – A

Answer **all** questions. **Each** question carries **1** mark.

1. What is Cost Accounting ?
 2. What is stores ledger ?
 3. What is EOQ ?
 4. What is perpetual inventory system ?
 5. What is overhead ?
 6. What is time keeping ?
 7. What is JIT ?
 8. What is indirect labour ?
 9. What is Kaizen Costing ?
 10. What is Scrap ?
- (10×1=10 Marks)**

P.T.O.



SECTION – B

Answer **any eight** questions. **Each** carries **2** marks.

11. What is unit cost ?
12. What is Tender ?
13. What is Bill of Material ?
14. What is Merit Rating ?
15. Differentiate between Bin Card and Stores Ledger.
16. What is time wages ?
17. What is MHR ?
18. What is Wage abstract ?
19. What are the causes of under absorption of overhead ?
20. Distinguish between cost allocation and cost apportionment.
21. What is secondary distribution ?
22. What are the objectives of unit costing ?

(8×2=16 Marks)

SECTION – C

Answer **any six** questions from the following. **Each** carries **4** marks.

23. The accounts of a machine manufacturing company disclose the following information for the six months ending 31-12-2010.

	Rs.
Material used	1,50,000
Productive wages	1,20,000
Factory overhead	24,000
General expenses	17,640

Prepare the cost sheet of the machines and calculate the price which the company should quote for the manufacture of a machine requiring material valued at Rs. 1,250 and expenditure in productive wages of Rs. 750, so that the price may yield a profit of 20% on the selling price.



24. Two Components of A and B are as follows :
- | | |
|-------------------|------------------------------------|
| Normal usage | 50 units per week of A and B |
| Minimum usage | 25 units per week of A and B |
| Maximum usage | 75 units per week of A and B |
| Re order Quantity | A : 300 units; B : 500 units |
| Re order period | A : 4 to 6 weeks; B : 2 to 4 weeks |
- Calculate for each component of A and B (a) Re order level (b) Minimum level (c) Maximum level (d) Average stock level.
25. From the following particulars calculate wages of three workers A, B and C under Merrick's plan.
Basic piece rate is Rs. 2 per unit.
Standard output 24 units per day of 8 hours.
Output A 16 units, B 21 units and C 25 units.
26. From the following data prepare a reconciliation statement :
- | | Rs. |
|--|----------|
| Profit as per cost accounts | 1,45,500 |
| Works overhead under recovered | 9,500 |
| Administrative overheads under recovered | 22,750 |
| Selling overheads over recovered | 19,500 |
| Over valuation of opening stock in cost accounts | 15,000 |
| Over valuation of closing stock in cost accounts | 7,500 |
| Interest earned during the year | 3,750 |
| Rent received during the year | 27,000 |
| Bad debts written off during the year | 9,000 |
| Preliminary expenses written off during the year | 18,000 |
27. The firm employs five workers at an hourly rate of Rs. 2.00. During the week, they worked for four days for a total period of 40 hours each and completed a job for which the standard time was 48 hours for each worker. Calculate the labour cost under the Halsey method and Rowan method of incentive plan payments.
28. What is labour turnover and what are the causes of labour turnover ?
29. What is FIFO method ? What are its advantages ?
30. What are the purpose of cost sheet ?
31. Differentiate between cost accounting and financial accounting. (6×4=24 Marks)



SECTION – D

Answer **any two** questions. **Each** carries **15** marks.

32. Explain various classification of cost.

33. Write a note on important incentive wage plans.

34. A company has three production departments and two service departments. The distribution summary of factory overhead is as follows :

Production department	Service department
X Rs. 80,000	P Rs. 23,400
Y Rs. 70,000	W Rs. 30,000
Z Rs. 50,000	

The expenses of service departments are charged to production departments on the basis of services rendered as follows :

	X	Y	Z	P	W
Department P	20%	40%	30%	–	10%
Department W	40%	20%	20%	20%	–

Apportion the expenses of service departments to production departments by simultaneous equation method.

35. AB Co. supplies you the following details from its cost records :

	Rs.
Stock of raw material (1 st September 2010)	75,000
Stock of raw material (30 th September 2010)	91,500
Direct wages	52,500
Indirect wages	2,750
Sales	2,00,000
Work in progress on 1 st Sept. 2010	28,000
Work in progress on 30 th Sept. 2010	35,000
Purchase of raw materials	66,000
Factory rent, rates and power	15,000
Depreciation of plant and machinery	3,500
Expenses on purchase	1,500
Carriage outward	2,500
Advertising	3,500
Office rent and taxes	2,500
Travellers' wages and commission	6,500
Stock of finished goods on 1 st Sept. 2010	54,000
Stock of finished goods on 30 th Sept. 2010	31,000

Prepare a production statement giving maximum possible break up of cost and profit.

(2×15=30 Marks)