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Reg. No. : .....

Name : .....

Fifth Semester B.Com. Degree Examination, December 2022

First Degree Programme Under CBCSS

Core Course

CO 1542/CC 1543/ CX 1543/HM 1543/TT 1543 –– COST ACCOUNTING

(2014-2017 Admission)

(Common for Commerce/Commerce with Computer Applications/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. Define Costing.

2. What is Bin Card?

3. What is VED?

4. What is time booking?

5. What is indirect labour?

6. What is normal wastage?

7. What is ABC analysis?

P.T.O.

8. What is LIFO?

9. What is Prime cost?

10. What are the elements of cost?

(10 × 1 = 10 Marks)

SECTION – B

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

11. What is cost centre?

12. What are shut down cost?

13. What are the Objectives of inventory control?

14. Distinguish between fixed cost and variable cost.

15. What is maximum level?

16. What is piece wage system?

17. What is apportionment of overheads?

18. What are the bases of apportionment for lighting, power and rent?

19. What is the treatment of abnormal loss?

20. What is material abstract?

21. What is Economic Order Quantity?

22. What is cost unit with example?

(8 × 2 = 16 Marks)

SECTION – C

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

23. Calculate EOQ from the following information, Also calculate number of orders to be placed in a year.

	Rs.
Annual Consumption	10,000 kgs
Cost of placing an order	Rs. 50
Cost per kg of material	Rs.2
Storage cost	8% on average stock.

24. Explain different methods of absorbtion of office and administration overheads.

25. From the following data information relating to the manufacture of a standard product during the month of September, 2010, prepare a statement showing cost and profit per unit

	Rs.
Raw material used	40,000
Direct wages	24,000
Man hours worked	9,500 Hrs
Machine hour rate	Rs.4 per hour
Office overhead	20% on work cost
Selling overhead	Re.1 per unit
Units produced	20,000
Units sold	18,000 at Rs.10 per unit

26. Calculate machine hour rate from the following:

	Rs.
Cost of machine	8,000
Cost of installation	2,000

Scrap value after 10 years	2,000
Rates and rent for a quarter for the shop	300
General Lighting	20 p.m
Shop supervisor's salary	600 per quarter
Insurance premium for a machine	60 p.a
Estimated repairs	100 p.a

Power 2 units per hour @ Rs. 5 per 100 units

Estimated working hours p.a. 2000

The machine occupies 1/4 of the total area of the shop. The supervisor is expected to devote 1/6th of his time for supervising the machine.

27. Standard production - 10 units per hour

Normal time rate - Rs. 5 per hour

Differentials to be applied:

80% of piece rate for below standard; 120% of piece rate for above standard

In a 10 hour day lswarya produced 80 units and Rani produced 110 units. Calculate the wages of two workers under Taylor's differential piece rate system.

28. From the following data for the last year, calculate stores stock levels:

Maximum usage in a month 300 numbers

Minimum usage in month 200 numbers

Average usage in a month 225 numbers

Time lag for procurement of material:-

Maximum – 6 months, Minimum – 2 months Re order quantity 750 numbers.

29. Explain components of cost.

30. What are the advantages and disadvantages of FIFO method?

31. Explain time wage system.

(6 × 4 = 24 Marks)

SECTION – D

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

32. Explain the methods of Inventory Control.

33. Explain the steps in the Distribution of overhead.

34. The following is the record of receipts and issues of certain material in a factory during a week of May 2011. Opening balance 100 tons at Rs.10 per ton. Use LIFO method.

    1. Issued 60 tons
    2. Received 120 tons at Rs. 10.10 per ton
    3. Issued 50 tons (stock verification reveals a loss of 2 tons)
    4. Received back from order 20 tons (originally issued at Rs. 9.90 per ton)
    5. Issued 80 tons
    6. Received 44 tons @ Rs. 10.20 per ton
    7. Issued 66 tons.

35. The following figures relate to the manufacture of electric fans for the period of three months:

	Rs.
Completed Stock (1-10 2010)	Nil
Completed Stock (31-10- 2010)	20,250
Stock of raw material (1-10-2010)	5,000
Stock of raw material (31-12-2010)	3,500
Sales	1,12,500
Purchase of raw materials	32,500
Factory Wages	75,000
Indirect charges	12,500

The number of fans manufactured during the three months was 3,000. Prepare a statement showing the cost per fan and price to be quoted for 750 fans to realize the same percentage of profit as was realized during the three months ending 31-12-2010.

(2 × 15 = 30 Marks)

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