



QP CODE: 21100106



21100106

Reg No :

Name :

BCOM DEGREE (CBCS) EXAMINATION, FEBRUARY 2021

Fifth Semester

Core Course - CO5CRT14 - COST ACCOUNTING - 1

B.Com Model II Computer Applications ,B.Com Model II Finance & Taxation,B.Com Model II Logistics Management,B.Com Model II Marketing,B.Com Model II Travel & Tourism,B.Com Model III Computer Applications,B.Com Model III Office Management & Secretarial Practice,B.Com Model III Taxation,B.Com Model III Travel & Tourism,B.Com Model I Finance & Taxation,B.Com Model I Co-operation,B.Com Model I Computer Applications,B.Com Model I Marketing,B.Com Model I Travel & Tourism

2017 Admission Onwards

2F14ACAF

Time: 3 Hours

Max. Marks : 80

Part A

*Answer any **ten** questions.*

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

1. Define Profit Centre.
2. What are the advantages of cost accounting to the workers?
3. What is Direct costing?
4. What is Inventory Turnover Ratio?
5. What is a Bin Card?
6. What do you mean by scrap?
7. Who are Casual workers?
8. Calculate wages due to a worker from the following data.
Normal hours in a week - 44 hours
Actual booked hours - 50 hours
Rate per hour:
Normal ` 12. 5
Overtime, 200% of Normal rate
9. What is labour hour rate?
10. Define cost allocation & cost apportionment





11. What is Blanket rate ?
12. Explain purely financial charges.

(10×2=20)

Part B

*Answer any six questions.
Each question carries 5 marks.*

13. Differentiate between cost, expense and loss.
14. How simple average method of pricing the issue of material differ from the weighted average method ?
15. What is Time booking? What are its objectives?
16. What are the merits of Rowan plan?
17. "Overhead which is common to two or more dept. or cost centres are required to be apportion among these depts. It has to be made on some equitable basis" Explain the important bases for apportionment of overhead.
18. A company's expenses for the month of June 2018 is given below
 Rent – Rs12500
 Insurance –Rs1050
 Depreciation-- 15% of value of machinery
 Power—Rs3800
 Lighting– Rs1250
 Additional information relating to the company:

Items	Production departments			Service departments		
	P1	P2	P3	Office	Service workshop	
Direct wages	20000	25000	30000			
Direct material	30000	35000	45000			
Indirect material	2000	3000	3000	1000	2000	2000
Indirect wages	3000	3000	4000	10000	10000	5000
Area in square metres	200	250	300	150	100	250
Value of machinery	30000	35000	25000	--	--	15000
Horse power of machines	15	20	25	--	--	5
Machine hours worked	10000	20000	15000	--	--	5000

Prepare an overhead primary distribution summary statement for the departments showing clearly the basis of apportionment where necessary





19. Calculate the composite machine hour rate from the following:
- Purchase price of the machine 90000
 - Freight & installation charges 10000
 - Life of the machine- 10 years @2000 working hours per year
 - Repair charges,40% of depreciation
 - Power – 20units per hour @ Rs.0.80 per unit
 - Lubricating oil @ Rs.2 per day of 8 hours
 - Consumable stores @Rs.10 per day of 8 hours
 - Wages of machine operator @4 per day of 8 hours
20. What is a production Account? Prepare a production account with imaginary figures.
21. The following information are obtained from books of Arun Ltd.for the year ending 31st March 2019. Materials used-Rs.1,20,000; Direct wages-Rs.12,000; Factory overhead-Rs.5,000; Administration overhead-Rs.5,000. Prepare a cost sheet and calculate the price which the company should quote for the manufacture of a machine requiring materials-Rs.10,500; Direct wages-Rs.1,500, so that the price may yield a profit of 25% on cost.

(6×5=30)

Part C

Answer any **two** questions.

Each question carries **15** marks.

22. Explain the different classification of cost.
23. Following particulars relate to a manufacturing company which has three production departments A, B and C and 2 service departments X and Y.

Overhead as per primary distribution are as follows

Dept A Rs 6300

Dept B Rs 7400

Dept C Rs 2800

Dept X Rs 4500

Dept Y Rs 2000

The company decided to charge the overheads of service departments on the basis of following percentages

	A	B	C	X	Y
X	40%	30%	20%	--	10%
Y	30%	30%	20%	20%	--

Find the overheads of production departments after charging service department cost to production department by using simultaneous equation method.





24. Mr.X furnishes the following data relating to the manufacture of a standard product during the month of June 2016. Raw materials consumed-Rs.25,000; Direct labour-Rs.5,000; Machine hours worked-500hrs.; Machine hour rate-Rs.5; Administrative overheads-20% on works cost; Selling overheads-Rs.0.25 per unit. Units produced- 20,000. Units sold 18,000 @ Rs.4.50 per unit. You are required to prepare a Cost sheet showing-
- Cost of production,
 - profit per unit sold and
 - profit for the period.
25. From the following particulars prepare:
- A statement of cost of manufacture for the year 2017
 - A statement of profit as per cost accounts
 - Profit and loss account in the financial books
 - Show how you would attribute the difference in the profit as shown by 2 and 3. Opening stock of raw materials Rs.30,000; Purchase of raw materials Rs.1,80,000; Closing stock of raw materials Rs.45,000; Opening stock of finished goods Rs.60,000; Closing stock of finished goods Rs.15,000; Wages-Rs.75,000. Calculate the factory expenses at 25% on prime cost, Office expenses at 75% on factory expenses. Actual works expenses amounted to Rs.58,125 and actual office expense amounted to Rs.45,750. The selling price was fixed at a profit of 25 % on cost.

(2×15=30)

