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Name.....

Reg. No.....

**FOURTH SEMESTER (CUCBCSS—UG) DEGREE EXAMINATION
APRIL 2024**

B.Com.

BCM 4B 05—COST ACCOUNTING

(2018 Admissions only)

Time : Three Hours

Maximum : 80 Marks

Part A*Answer all questions.**Each questions carries 1 mark.*

Choose the correct answer :

1. Which method of costing is suitable in automobile repair work shop ?
(A) Process costing. (B) Contract costing.
(C) Job costing. (D) Batch Costing.
2. Which of the records quantity of materials only ?
(A) Stores ledger. (B) Bin card.
(C) Bill of material. (D) None of these.
3. Standard time is 8 hrs, actual time taken 6 hrs, and time rate is Rs.2 per hour. Total wages under Halsay plan will be :
(A) Rs. 16. (B) Rs. 18.
(C) Rs. 14. (D) None of these.
4. Rent of warehouse is an item of :
(A) Factory overhead. (B) Selling overhead.
(C) Distribution overhead. (D) Office overhead.

Turn over

5. The stage where joint products are separated from each other is known as :
- (A) Break even point. (B) Angle of incidence.
(C) Split off point. (D) None of these.

Fill in blanks :

6. Profit on incomplete contract is called _____.
7. If the actual loss in a process is less than the normal loss, the difference is known as _____.
8. Aggregate of prime cost and factory overhead is known as _____.
9. The cost of running and operating a machine per hour is called _____.
10. The difference between actual and recovered overhead is called _____.

(10 × 1 = 10 marks)

Part B

Answer any **eight** questions from the following.

Each question carries 2 marks.

11. Define cost.
12. What is Fixed cost ?
13. What is Maximum level ?
14. What is VED Analysis ?
15. What is Idle time ?
16. What is reapportionment of Overhead ?
17. What is retention money ?
18. What is scrap ?
19. Define Budgetary Control.
20. Explain Halsey Plan.

(8 × 2 = 16 marks)

Part C

Answer any six questions from the following.

Each questions carries 4 marks.

21. Differentiate between cost accounting and Financial accounting.
22. Briefly discuss the material purchase procedure.
23. List out the steps in ZBB.
24. Explain different methods of Time keeping
25. In a company weekly minimum and maximum consumption of material A are 25 and 75 units respectively. The reorder quantity as fixed by the company is 300 units. The material is received with in 4 to 6 weeks from issue of supply order. Calculate Minimum Level and maximum Level of material A.
26. Rate per hour -Rs. 3
Time allotted for job- 20 hrs.
Time taken - 15 hrs.
Calculate Total earnings of worker and effective rate of earnings under Halsey Plan.
27. The contract ledger of the company shows the following expenditures on account of a contract as on 31st December 2019 :

Material	...	94,000
Plant	...	12,000
Wages	...	1,03,000
Establishment charges	...	6,700

The contract was commenced on January 2019 and the contract price was Rs.4,00,000. Cash received on account to the date was Rs. 1,72,000 representing 80 % work certified. The value of materials on hand was Rs. 4,500 and the work finished but not certified was Rs. 4,000. Prepare Contract account assuming depreciation of plant at 10 % p.a.

Turn over

28. The following is the income and expenditure forecasts of a company for the months of March to July 2020.

<i>Month</i>	<i>Sales</i>	<i>Purchases</i>	<i>Wages</i>
March	60,000	36,000	9,000
April	62,000	38,000	8,000
May	64,000	33,000	10,000
June	58,000	39,000	8,500
July	56,000	39,000	9,500

Prepare cash budgets for three months starting from 1st May 2020.

- Cash balance on 1st May 2020 Rs.8,000.
- Advance tax Rs.8,000 payable in March and June each.
- Credit allowed by suppliers is 2 months and allowed to customers is 1 month.
- Lag in payment of wages is 1 month.

(6 × 4 = 24 marks)

Part D

Answer any **two** questions from the following.

Each question carries 15 marks.

29. Explain various methods and techniques of costing.
30. RST Ltd. processes product Z through two distinct processes , Process I and Process II. On completion it is transferred to finished stock. From the following information , prepare Process account.

<i>Particulars</i>	<i>Process I</i>	<i>Process II</i>
Raw materials used	7,500 units	—
Raw material cost per unit	Rs.60	—
Transfer to next process	7,050 units	6,525 units
Normal loss	5 %	10 %
Direct wages	Rs. 1,35,750	Rs. 1,29,250
Direct expenses	60 % of direct wages	65 % of direct wages
Manufacturing overheads	20 % of direct wages	15 % of direct wages
Realisable value of scrap per unit	Rs. 12.50	Rs.37.50

31. The following data are extracted from the books of ABC Company for the month of June 2020. The company is working at 80 % capacity and produces 8,000 units. Calculate profit at 70 % and 90 % capacities.

Sales	...	1,92,000
Variable cost		
Direct material	...	24,000
Direct labour	...	64,000
Idle time	...	3,200
Other indirect labour	...	800
Semi-variable costs		
Plant maintenance (25 % fixed)	...	31,000
Salesmen salary (20 % fixed)	...	18,800
Fixed costs	...	45,000

(2 × 15 = 30 marks)