

(FOR THE CANDIDATES ADMITTED  
DURING THE ACADEMIC YEAR 2022 ONLY)

22UCC408

REG.NO. :

N.G.M.COLLEGE (AUTONOMOUS): POLLACHI  
END-OF-SEMESTER EXAMINATIONS: MAY-2024

COURSE NAME: B.Com.-C.A  
SEMESTER: IV

MAXIMUM MARKS: 50  
TIME: 3 HOURS

**PART - III**

**COST ACCOUNTING**

**SECTION – A**

**(10 X 1 = 10 MARKS)**

**ANSWER THE FOLLOWING QUESTIONS.**

**MULTIPLE CHOICE QUESTIONS.**

**(K1)**

1. The total of all direct expenses is known as \_\_\_\_\_.  
a. Prime cost                      b. Work cost                      c. Factory cost                      d. Total cost
2. The re-order level is just above the \_\_\_\_\_.  
a. Average level                      b. Minimum level                      c. Maximum level                      d. Danger level
3. In time wage system, wages are paid according to the \_\_\_\_\_.  
a. Time worked                      b. Time saved                      c. Standard time                      d. Standard hour
4. Abnormal loss is charged for \_\_\_\_\_.  
a. Process A/c                      b. Costing P&L A/c                      c. Normal loss A/c                      d. P&L A/c
5. The most suitable cost system where the products differ in type of materials used and work performed is \_\_\_\_\_.  
a. Job costing                      b. Operating costing                      c. Process costing                      d. Operation costing

**ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES.**

**(K2)**

6. What do you mean by Cost?
7. What is Inventory?
8. Define Overhead.
9. Write a short note on Scrap.
10. What is contract costing?

**SECTION – B**

**(5 X 3 = 15 MARKS)**

**ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K3)**

11. a) Ascertain the cost and selling price from the following:

Materials consumed	Rs. 6,000
Wages paid	Rs. 9,000
Works on cost 50% on wages	
Office on cost 20% on work cost	
Selling on cost 10% on work cost	
Profit 20% on cost.	

**(OR)**

**(CONTD.....2)**

- b) In a factory 20,000 units of product A were manufactured in the month 07 July, 2009. From the following figures obtained from the costing records, prepare a cost sheet showing cost per unit.

Particulars	Rs.	Particulars	Rs.
Opening stock of raw materials	5,000	Purchase	55,000
Direct wages	25,000	Closing Stock of raw materials	10,000
Factory overheads	40,000	Administration overhead	20,000

12. a) Explain the methods of pricing material issues.

(OR)

- b) Find out the E.O.Q

Annual consumption – 3,600 kg

Cost of placing and receiving per order Rs. 1,000

Annual carrying cost per kg Rs. 20

- 13.a) Apportion the following expenses to various department.

	Total Rs.	A	B	C
Rents and Rates	5000	-	-	-
General lightings	2000	-	-	-
Floor Area (sq.ft)	-	1000	500	500
Lighting point	-	3	2	5

(OR)

- b) A factory has several production departments. The following details are relating to dept. X for the month of January 2008.

Direct wages Rs. 30,000

Factory overheads allocated and apportioned to the departments Rs. 12,000

You are required to calculate the overhead absorption rate based on direct wages for the month.

- 14.a) Explain the procedure of Process Costing.

(OR)

- b) Prepare the process account from the following details relating to March 2010.

Materials Rs. 25,000

Labour Rs. 40,000

Direct expenses Rs. 15,000

Overhead Rs. 10,000

15. a) How does job costing differ from contract costing?

(OR)

- b) From the following information, prepare an estimate.

Direct materials consumed Rs. 1,000

Direct wages paid Rs. 2,000

Factory expenses 60% on wages

Office expenses 20% on factory cost

The tender should include a profit of 20% on selling price.

## SECTION – C

( 5 X 5 = 25 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.

(K4 (Or) K5)

16. a) Distinguish between Cost accounting and Financial accounting.

(OR)

b) From the following details prepare Cost Sheet.

Particulars	Rs.
Materials:	
Stock on (1.1.2008)	50,000
Purchases	7,50,000
Stock on (31.12.2008)	1,00,000
Wages	6,00,000
Direct expenses	3,00,000
Factory on cost	2,00,000
Office on cost	1,00,000
Value of opening stock	5,40,000
Selling overheads	20 per units
Sales price	150 per units
Number of units products	19,000 units
Opening stock finished goods	6,000 units
Closing stock of finished goods	5,000 units

17. a) From the following transactions, prepare stores ledgers A/c.

Oct. 1	Opening balance 100 units at Rs. 5 each
Oct. 2	Received 500 units at Rs. 6 each
Oct. 20	Issued 300 units
Nov.5	Issued 200 units
Nov.6	Received 500 units at Rs. 5 each
Dec. 10	Issued 300 units
Dec. 12	Issued 250 units

(OR)

b) The following transactions are recorded in respect of materials used in a factory.

Date	Quantity Received units	Rate per units	Quantity issued units
3-12-2003	400	2.10	-
15-12-2003	500	2.20	-
20-12-2003	-	-	500
26-12-2003	600	2.50	-
28-12-2003	-	-	900

Prepare a priced ledger sheet pricing the issues at weighted average method.

18. a) From the following information calculate the labour turnover rate by applying

i) Separation method

ii) Replacement method

Number of workers at the beginning of the period 3,800

Number of workers at the end of the period 4,200

During the year 40 workers left while 160 workers are discharged. 600 workers are recruited during the year of these 150 workers are recruited to fill up vacancies and the rest are engaged on account of an expansion scheme.

(OR)

b) Explain the various types of overhead rates.

(CONTD.....4)

19. a) Prepare Process account from the following  
 Materials issued 1,000 kg @ Rs. 125  
 Wastage Rs. 28,000  
 Overheads Rs. 8,000  
 Normal loss 5% of input; output 900 kgs

(OR)

- b) In process Q, 75 units of a commodity were transferred from process P at a cost of Rs. 14,500. The additional expenses incurred by the process were Rs. 1,490, 20% of the units entered are normally lost and sold @ Rs. 50 per unit. The output of the process was 70 units.  
 Prepare process Q A/c and abnormal gain account.

20. a) A firm of builders, carrying out large contracts kept in a contract ledger separate accounts for each contract. The following particulars relate to a certain contract carried out during the year ended 30<sup>th</sup> June.

Work certified by Architects	Rs. 1,43,000
Cash received from the contractee	1,30,000
Materials sent to site	64,500
Labour engaged on site	54,800
Plant installed at site	11,300
Value of plant at 30 <sup>th</sup> June (closing)	8,200
Cost of work not yet certified	3,400
Establishment charges	3,250
Direct expenditure	2,400
Wages accrued due	1,800
Materials (closing)	1,400
Materials returned to site	400
Direct expenses accrued due	200
Contract price	2,00,000

(OR)

- b) A factory uses a job costing system. The following data are available from books at the year ending 31<sup>st</sup> March 2003.

	Rs.		Rs.
Direct material	9,00,000	Selling and Distribution overhead	5,25,000
Direct wages	7,50,000	Administrative overhead	4,20,000
Profit	6,09,000	Factory overhead	4,50,000

Required:

- (i) Prepare a cost sheet indicating the Prime Cost, Work Cost, Production Cost, Cost of sales and Sales value.
- (ii) In 2004, the factory has received an order for a number of jobs. It is estimated that the direct materials would be Rs. 12,00,000 and direct labour would cost Rs. 7,50,000. What would be the price for these jobs, if the factory intends to earn the same rate of profit on sales, assuming that the selling and distribution overhead has gone by 15%? The factory recovers factory overhead as a percentage of direct wages and administrative and selling and distribution overhead as a percentage of works cost, based on the cost rates prevalent in the previous year.

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