

(FOR THE CANDIDATES ADMITTED

( NO. OF PAGES: 5 )  
SUB CODE **22UCF511**

DURING THE ACADEMIC YEAR 2024 ONLY)

REG.NO. :

**N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI**

**END-OF-SEMESTER EXAMINATIONS : NOV-2024**

**B COM - FINANCE**

**MAXIMUM MARKS: 50**

**SEMESTER: V**

**TIME : 3 HOURS**

**PART - III**

**COST ACCOUNTING**

**SECTION – A**

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

**ANSWER THE FOLLOWING QUESTIONS.(K1)**

1. Prime cost includes
  - (a) Direct materials + Direct labour + Direct expenses
  - (b) Direct materials + Direct expenses
  - (c) Direct materials + Factory overhead
  - (d) Direct materials + Direct labour + Factory overhead
2. Under ABC analysis 'A' stands for ----- value items.
  - (a) Low
  - (b) High
  - (c) Moderate
  - (d) Average
3. The change in labour force during a specified period is called -----
  - (a) Labour absent
  - (b) labour discharged
  - (c) Labour turnover
  - (d) Labour left
4. Process costing is suitable for -----
  - (a) Hospitals
  - (b) Oil refining firms
  - (c) Transport firms
  - (d) Brick laying firms
5. In job costing each ----- is a cost unit
  - (a) Job
  - (b) Order
  - (c) Batch
  - (d) Consignment

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

**(K2)**

6. Indicate any two purpose of cost sheet.
7. State the formula for EOQ
8. What is Idle time?
9. State the meaning of Abnormal loss.
10. How do you determine Economic Batch Quantity?

**SECTION – B**

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

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

11. a) Sketch the objectives of cost accounting.  
**(OR)**  
b) Describe the advantages of Cost sheet.
12. a) The annual demand for product is 6,400 units. The unit cost is Rs. 6 and inventory carrying cost per unit per annum is 25% of the average inventory cost. If the cost of procurement is Rs. 75, determine Economic Order Quantity.  
**(OR)**  
b) Interpret the objectives of Material control.
13. a) Standard time allowed for a job is 50 hours. The hourly rate of wages is Rs. 2 per hour. The actual time taken by the workers was 40 hours. Calculate total wages on:
  - (i) Halsey plans
  - (ii) Rowan plans

**(OR)**

b) The following information relates to the personnel department of factory for the month of April 2020

Number of workers on April 1, 2020	950
Number of workers on April 30, 2020	1050
Number of workers who quit the factory in April	10
Number of workers discharged in April	30
Number of workers engaged in April (including 120 on account of expansion scheme)	140

Calculate the labour turnover by Separation method and Flux method.

14. a) What are the advantages of process costing?

**(OR)**

b) Compute Abnormal Loss / Gain units from the following informations:

Input - 5,000 units; Normal loss - 20%; Output - 4,300 units

15. a) From the following information, calculate total Kms and Total passenger Kms.

Number of Buses - 6; Days operated in the month - 42;  
Trips made by each bus - 4; Distance of route - 35 km (one way)  
Capacity of bus - 60 passengers Normal passengers travelling - 90% capacity.

**(OR)**

b) Compare Job costing with Batch costing.

**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) Mr. Gopal furnishes the following data relating to the manufacture of a standard product during the month of April, 2019

Raw materials consumed Rs. 15,000	Administrative overheads 20% on works cost
Direct labour charges Rs. 9,000	Selling overheads Re. 0.50 per unit
Machine hours worked 900	Units produced 17,100
Machine hour rate Rs. 5	Units sold 16,000 at Rs.4 Per unit.

You are required to prepare a cost sheet from the above, showing: (a) the cost of production per unit (b) profit per unit sold and profit for the period.

17. a) Find out the minimum stock level, maximum stock level and ordering level from the following particulars:

Minimum consumption 100 units per day  
Maximum consumption 175 units per day  
Normal consumption 125 units per day  
Re order quantity 1,500 units  
Reorder period 6 - 14 days

**(OR)**

b) The stores ledger account of a material C in the books of Chemical Process Ltd. Revealed the following for the month of November 2016.

2016

Nov. 1 Opening stock 200 kgs. @ Rs. 7.50 per kg.  
5 Received from supplier S1 400 kgs. @ Rs. 7.75 per kg. (G.R.N. No. 448)  
8 Issued to production department 240 kgs. (S.R. No. 883)  
10 Issued to production department 160 kgs. (S.R. No. 897)  
12 Received from supplier S2 500 kgs. @ Rs. 7.90 per kg. (G.R.N. No. 455)  
15 Issued to production department 400kgs. (S.R. No. 912)  
16 Received from supplier S3 250 kgs. @ Rs. 8.00 per kg. (G.R.N. No. 461)  
19 Received from supplier S1 600 kgs. @ Rs. 8.25 per kg. (G.R.N. No. 469)  
24 Issued to production department 260 kgs. (S.R. No. 959)  
27 Issued to production department 340 kgs. (S.R. No. 974)

You are required to price the issues and draw out the closing balances in the form of Stores

Ledger Account under FIFO method.

**ETHICAL PAPER**

18. a) Determine the earnings of a worker from the following information:  
 (a) Time Rate Method (b) Piece Rate Method (c) Halsey Plan  
 (d) Rowan Plan

Information given:

Standard time : 30 hours  
 Time taken : 20 hours

Hourly rate of wages is Re. 1 per hour plus dearness allowance @ 50 paise per hour worked.

(OR)

- b) The following data were obtained from the books of Light Engineering Company for the half year ended 30<sup>th</sup> September, 2016.

Particulars	Production departments			Service departments	
	A	B	C	X	Y
Direct wages (Rs.)	7,000	6,000	5,000	1,000	1,000
Direct material (Rs.)	3,000	2,500	2,000	1,500	1,000
Employees (Nos.)	200	150	150	50	50
Electricity (Kwh.)	8,000	6,000	6,000	2,000	3,000
Light points (Nos.)	10	15	15	5	5
Asset values (Rs.)	50,000	30,000	20,000	10,000	10,000
Area occupied (sq. meters)	800	600	600	200	200

The expenses for 6 months were: Stores overheads Rs. 4000 ; Motive power Rs. 1,500 ; Electric light Rs. 200 ; Labour welfare Rs. 3,000 ; Depreciation Rs. 6,000 ; Repairs and maintenance Rs. 1,200 ; General overheads Rs. 10,000 ; Rent and taxes Rs. 600. You are required to prepare primary overhead distribution summary for the departments showing clearly the basis of apportionment where necessary.

19. a) A product passes through three process A, B and C. 10,000 units at Rs. 10 per unit were issued to process A. The other direct expenses were:

Particulars	Process A (Rs.)	Process B (Rs.)	Process C (Rs.)
Materials	10,000	15,000	14,800
Direct labour	50,000	80,000	65,000
Direct expenses	10,500	11,880	16,050

The wastage of Process A was 5%, Process B was 4% and Process C was 5%. The wastage of Process A was sold at Rs. 2.50 per unit, that of B at Rs. 5 per unit and that of C at Rs. 10 per unit. The overhead charges were 168% of direct labour. The final product was sold at Rs. 100 per unit, fetching a profit of 20% on sale. Prepare process accounts and Finished stock a/c.

(OR)

- b) Product 'A' is obtained after it passes through three distinct processes. Prepare process accounts from the following:

Particulars	Process I (Rs.)	Process II (Rs.)	Process III (Rs.)
Materials	5,200	3,960	5,924
Wages	4,000	6,000	8,000
Overheads	4,000	6,000	8,000

1,000 units of materials @ Rs. 6 per unit were introduced in Process I.

Process	Total output units	Normal loss	Value of scrap per unit (RS.)
I	950	5%	4
II	840	10%	8
III	750	15%	10

20. a) Laxmi Travels, a transport company is running a fleet of six buses between two towns 75 kms.apart. The seating capacity of each bus is 40 passengers. The following particulars are available for the month of January 2022.  
 Wages of Drivers, Conductors, etc. Rs. 3,600

Salaries of office and supervisory staff	1,500
Diesel oil, etc.	10,320
Repairs and maintenance	1,200
Taxes and insurance	2,400
Depreciation	3,900
Interest and other charges	3,000

The actual passengers carried were 80% of the capacity. All the buses run all the day in the month. Each bus made one round trip per day.

Find out cost per passenger kilometer.

**(OR)**

b) Summarize the merits and demerits of job costing?