

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

(NO. OF PAGES: 4)

SUB CODE **22UPA511**

REG.NO. :

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

B.COM PA
SEMESTER : V

MAXIMUM MARKS: 50
TIME : 3 HOURS

PART-III

22UPA511 - COST ACCOUNTING

SECTION – A 10X1=10 MARKS

ANSWER THE FOLLOWING MULTIPLE CHOICE QUESTIONS

1. Cost incurred is identified with _____
a) Each Executive b) Each unit of output c) Each month d) None of these
2. Material control involves _____
a) Consumption of material b) Issue of material
c) Purchase of materials d) Purchase, storage and issue of materials.
3. Labour Turnover is _____
a) Productivity of Labour b) Efficiency of Labour
c) Change in Labour force d) Ideal time
4. Scrap value of normal loss of _____
a) Credited to P&L A/c b) Show in Balance sheet
c) Credited to process a/c d) Debited to process Account
5. Job cost is usually estimated on the basis of _____
a) Customer's specifications b) Production cost
c) Competitor's prices d) Govt regulations

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES

6. Define Cost Accounting.
7. What is Material control?
8. Overhead means
9. Define process costing
10. Job costing means

SECTION – B

(5X3=15 MARKS)

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

- 11.(a) Briefly explain the Scope and Objectives Cost Accounting.

(OR)

- (b) What are the Limitation of Cost Accounting.

12. a) From the following information calculate economic order quantity. Also determine the number of order per annum.

Annual requirement = 6,400units, Unit cost = Rs.6.

The inventory carrying cost = 20% of average inventory cost per unit per annum,
Cost of placing and receiving one order = Rs.75.

(OR)

(b) Calculate maximum level, and minimum level and reordering level from the following data.

1.Re-order quantity 1,500 units, 2.Re-order period 4 to 6 weeks 3.Maximum consumption 400 units per week 4. Normal consumption 300 units per week 5. Minimum consumption 250 units per week..

13.a) Calculate the earnings of worker Basheer under Taylor's differential piece rate system from the following:

1. Normal rate per hour Rs.24, 2.Standard time per unit; 30 second

Differential piece rate to be applied:

80% of piece rate below standard, 120% of piece rate above standard Worker Basheer produced 800 units per day of 8 hours.

(OR)

b) Calculate the earning of a worker (A) Halsey premium plan and (B) Rowan scheme.

1.Time allowed = 48 hours, 2. Time taken = 40 hours, Rate per hour = Rs.1.

14.(a) A product passes through two processes. The following details relate to process 'A' You are required to ascertain the process cost to be transferred to process 'B'.

Direct materials (100 units) Rs. 12,000. Direct wages Rs.8,000, Direct expenses Rs.5,000. Overheads Rs.11,000.

Input 1000 units; output 1000 units as there was no loss of units.

(OR)

(b) Ajith & Co. produces a product through two process 'A' and 'B' During April 2023, 5,000 units of finished products were produced and the following expenses were incurred:

Particulars	A	B
Material	10,000	7,000
Direct wages	25,000	20,000
Direct expenses	5,000	3,000

Overhead expenses amounted to Rs.45,000 which are to be apportioned to the processes on the basis of direct wages. Raw materials worth Rs. 40,000 were issued to process A. Prepare the process accounts.

15.a) From the following information prepare an estimate.

1.Direct materials consumed Rs1,000, 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.

(OR)

b) A factory follows job costing. The following cost data are obtained from its books for the year ending 31st December 2023.

Direct materials Rs.90,000, Direct wages Rs.75,000, Profit Rs.60,900, Selling and distribution overheads Rs.52,500. Administration overheads Rs.42,000, Factory Rs.45,000. Prepare a job cost sheet and find out overhead recovery rates and percentage of profit on sales.

SECTION – C (5X5=25 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K4/K5)

16.a) You are required to complete a statement showing cost and profit from the information given showing clearly (a) Material consumed (b) Prime cost (c) Works cost (d) Cost of Production (e) Cost of Sales (f) Profit and (g) Sales

Material Purchased Rs.2,00,000, Wages Rs.1,00,000, Direct expenses Rs.20,000, Opening stock of material Rs.40,000, Closing stock of material Rs.60,000. Factory overheads is absorbed at 20% on wages. Administration overheads is 25% on the works cost. Selling and distribution overheads are 20% on the cost of production. Profit is 20% on sales.

(OR)

b) During the year 2023, X Ltd produced 50,000 units of a product. The following were the expenses.

Stock of raw material on 1.1.2023 Rs.10,000, Stock of raw materials on 31.12.2023 Rs.20,000, Purchases Rs.1,60,000, Direct wages Rs.75,000, Direct expenses Rs.25,000, Factory expenses 37,500, Office expenses Rs.62,500, Selling expenses Rs.25,000, You are required to prepare a cost sheet showing cost per unit and total cost at each stage.

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17 a) From the particulars given below write up the stores ledger card:

2023 January 1 Opening stock 1,000 units at Rs.26 each, 5 Purchased 500 units at Rs.24.50 each, 7 Issued 750 units, 10 Purchased 1,500 units at Rs.24 each, 12 Issued 1,100 units, 15 Purchased 1,000 units at Rs. 25 each, 17 Issued 500 units, 18 Issued 300 units, 25 Purchased 1,500 units at Rs.26 each, 29 Issued 1,500 units, Adopt the LIFO method of issue and ascertain the value of the closing stock.

(OR)

b) Prepare stores ledger account under weighted average method from the information given below.

Date	Receipts	Issues
Jan 2023 01	300 units at Rs.10 per unit	
10	200 units at Rs.12 per unit	
12	400 units at Rs.11 per unit	
15		250 units
16		150 units
18	200 units at Rs.14 per unit	
20		300 units
22	300 units Rs.15 per unit	
25	100 units Rs.16 per unit	
27		200 units
31		100 units

18.a) Calculate the earning of workers X and Y under (A) Straight piece rate system and (B) Taylor's differential piece rate system from the following details:

Standard time per unit = 12 minutes, Standard rate per hour = Rs.60, Differentials to be used 80% and 120%, In a particulars day of 8 hours worker X produced 30 units and worker Y produced 50 units.

(OR)

b) A factory has three service department L, M and N and Two production department X and Y. The following are the expenses allocated and apportioned to the departments as per primary distribution summary.

L	M	N	X	Y
10,000	8,000	12,000	30,000	40,000

The following additional information is also available on the basis of a detailed analysis made.

Particulars	Service Department			Production Department	
	L	M	N	X	Y
L's service used	-	20%	30%	30%	20%
M's service used	-	-	40%	30%	30%
N's service used	-	-	-	60%	40%

Prepare a statement showing apportionment of service department overheads under the step method.

19.a) A Product passes through three processes X, Y and Z to its completion During September 2023, 5000 units of finished product were produced and the following expenses were incurred;

Particulars	Process X	Process Y	Process Z
Material	5,000	10,000	5,000
Direct wages	25,000	20,000	15,000
Direct expenses	2,500	3,000	5,000

Indirect expenses amount Rs.30,000 which are to be apportioned to the processes on the basis of direct wages. Raw materials worth Rs.30,000 were issued to process 'X' Ignore the question of process stocks and prepare the process accounts showing cost per unit in each process.

(OR)

b) Prepare a process account from the following along with abnormal loss account and normal loss account. Material issued to process 1000 kgs at Rs.200 each; wages Rs.1,40,000 and overhead Rs.20,000. Normal loss 10% of input. Actual output 800 kgs.

Process Account

Particulars	Kgs	Rs.	Particulars	Kgs	Rs.
To Materials	1,000	2,00,000	By normal loss 10%	100	-
To Wages		1,40,000	By Abnormal loss	100	40,000
To Overheads		20,000	By output transferred at Rs.400 per unit	800	3,20,000
		3,60,000			3,60,000

20.a) Analyze the main features and requisites of job costing, and Explain the objectives and prerequisites of job costing. (OR)

b) Compare job costing with contract costing.