



23112398

QP CODE: 23112398

Reg No :

Name :

B.COM DEGREE (CBCS) SPECIAL SUPPLEMENTARY EXAMINATIONS, APRIL 2023

Fifth Semester

CORE COURSE - CO5CRT14 - COST ACCOUNTING - 1

Common for 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, B.Com Model II Computer Applications, B.Com Model II Finance & Taxation, B.Com Model II Logistic 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

2020 Admission Only

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Time: 3 Hours

Max. Marks : 80

Part A

Answer any ten questions.

Each question carries 2 marks.

1. Define Responsibility Centre.
2. What is Imputed Cost? Give two examples.
3. What is Service costing?
4. A factory requires 1,500 units of an item per month, each costing Rs 27. The cost per order is Rs 150 and average inventory carrying charges work out to 20 percent of the average inventory.
Find out the Economic Order Quantity and the number of orders per year.
5. How will you treat materials returned to vendor ?
6. State any two demerits of LIFO method.
7. What are Fringe benefits?
8. From the following particulars ascertain the labour cost per day of 8 hours.
 - a. Basic salary : 4000 per month
 - b. Dearness Allowance : 5% of basic salary





- c. Employer's contribution to provident fund : 8% of(a) and (b)
- d. Employer's contribution to ESI : 2 ½ % of (a) and (b)
- e. Pro- rata amenities on labour : 179. 5 per head per month
- f. Working Hours in a month : 400

- 9. What is selling and distribution overhead ?Give exmaples
- 10. What is recovery of overheads?
- 11. What is Machine hour rate?
- 12. Distinguish between works cost and works on cost.

(10×2=20)

Part B

Answer any *six* questions.

Each question carries 5 marks.

- 13. Differentiate between cost, expense and loss.
- 14. Discuss the meaning and accounting tratement of various kinds of material losses.
- 15. Explain the suitability of Piece wage system.
- 16. What are the merits of Rowan plan?
- 17. Explain briefly which are the various methods of reapportionment of overhead?
- 18. "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.
- 19. Tata industries has 3 departments X Y and S. X and Y are production departments and S a service department. The following are the items of overhead for the month of January 2018

Indirect material X 2000

Y 4000

Z 600

Rent 12000

Depreciation of plant 10000

Supervision 16000

Repairs of plant 4000

Insurance to plant 2000





The following details are available in respect of three departments

	Dept X	Dept Y	Dept S
Floor area sq ft	3000	2000	1000
Number of workers	12	6	6
Cost of plant	25000	15000	10000

Prepare a statement showing the allocation and apportionment of overheads

20. The accounts of Khali Ltd. discloses the following information for the year ending 31st December 2018 relating to manufacture of an equipment.
Materials consumed-Rs.2,50,000; Direct wages-Rs.75,000; Factory overhead-Rs.45,000; Administration overhead-Rs.15,000.
Prepare a cost sheet and calculate the price which the company should quote for the manufacture of an equipment requiring materials-Rs. 4,500; Direct wages-Rs.500, so that the price may yield a profit of 10% on selling price.
21. How will you deal with under or over valuation of stocks in cost accounts while preparing a reconciliation statement?

(6×5=30)

Part C

Answer any two questions.

Each question carries 15 marks.

22. "Cost accounting is a tool of managerial planning and control." Do you agree with this statement? Explain.
23. The following particulars relate to a manufacturing company with 3 production departments X, Y and Z and 2 service departments S1 and S2 The following details are distributed to the departments as per primary distribution summary

Dept X Rs18900
Dept Y Rs 22200
Dept Z Rs 8400
Dept S1 Rs 13500
Dept S2 Rs 9000

The service dept cost are shared as follows:





	A	B	C	S1	S2
S1	40%	30%	20%	--	10%
S2	30%	30%	20%	20%	--

Find out the overhead of production departments on the basis of step ladder method.

24. Prepare: 1. A statement of cost of manufacture for the year 2019, 2. A statement of profit as per cost accounts, 3. Profit and loss account in the financial books, and 4. Statement of reconciliation. Opening stock of raw materials Rs.25,000; Purchase of raw materials Rs.1,75,000; Closing stock of raw materials Rs.40,000; Opening stock of finished goods Rs.55,000; Closing stock of finished goods Rs.10,000; Wages-Rs.70,000.

Calculate the factory expenses at 20% on prime cost, Office expenses at 65% on factory expenses. Actual works expenses amounted to Rs.50,500 and actual office expense amounted to Rs.40,500. The selling price was fixed at a profit of 30 % on cost.

25. From the following figures prepare a reconciliation statement.

Net Profit as per financial books-Rs.1,28,755; Over recovery of administrative overheads in cost accounts-Rs.1,700; Loss due to obsolescence charged in financial accounts-Rs.5,700; Depreciation charged in financial accounts-Rs.11,200; Depreciation recovered in cost accounts-Rs.12,500; Loss due to depreciation in stock values-Rs.200; Interest received on investment not included in cost accounts-Rs.8,000; Income tax provided in financial accounts-Rs.40,300; Bank interest credited in financial accounts-Rs.750; Stores adjustment credit in financial books-Rs.475; depreciation of stock charged in financial accounts-Rs.6,750 Works overhead underabsorbed in cost books-Rs.3,120. Net profit as per cost books-Rs.1,72,400.

(2×15=30)

