



22101855

QP CODE: 22101855

Reg No : .....

Name : .....

**B.COM DEGREE (CBCS ) SPECIAL SUPPLEMENTARY EXAMINATIONS, MAY 2022**  
**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

**For Regular Candidates : 2019 Admission Only**

**For Private Candidates : 2017 & 2018 Admissions**

C664C621

Time: 3 Hours

Max. Marks : 80

**Instructions to Private candidates only:** This question paper contains **two sections**. Answer **SECTION I** questions in the answer-book provided. **SECTION II**, Internal examination questions must be answered in the question paper itself. Follow the detailed instructions given under **SECTION II**

**SECTION I**

**Part A**

Answer any **ten** questions.

Each question carries **2** marks.

1. Who are Out workers?
2. Mention the advantages of cost accounting to the investors.
3. What is Direct costing?
4. What is re-ordering level?
5. What is Double Bin system?
6. What are defectives ?
7. What is Merrick's multiple piece rate system?





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. Define overhead absorption. Why it is needed?
10. Calculate the cost of production and cost of goods sold. Works cost-Rs.90,000; Opening stock of finished goods-Rs.30,000; Closing stock of finished goods-Rs.25,000; Office expenses-Rs.45,000.
11. What is Machine hour rate?
12. What is cost sheet?

(10×2=20)

### Part B

Answer any **six** questions.

Each question carries **5** marks.

13. Two components A and B are used as follows :
- Normal usage: 50 units per week each    Minimum usage :25 units per week each  
Maximum usage :75 units per week each    Reorder quantity : A =300 units  
B =500 units    Reorder period: A= 4 to 6 weeks    B=2 to 4 weeks  
Calculate: a)Reorder level    b)Minimum level    c)Maximum level    d)Average stock level
14. Explain the FIFO and LIFO methods of pricing of material issues.
15. Distinguish between Time keeping and Time Booking
16. What are the advantages of Time Wage plan?
17. K Ltd has 3 production departments A,B and C and 2 service departments D and E  
Following figures are extracted from the records of the company
- Rent and rates – Rs 5000  
Indirect wages – Rs 1500  
Depreciation of machinery—Rs 10000  
General lighting --- Rs 600  
Power --- Rs1500





Sundries --- Rs 10000

Following further details are available:

	A	B	C	D	E
Floor space (sq.metres)	2000	2500	3000	2000	500
Light points	10	15	20	10	5
Direct wages	3000	2000	3000	1500	500
H P of machines	60	30	50	10	--
Value of machinery	60000	80000	100000	5000	5000

Apportion the costs to various departments on the most equitable basis by preparing a primary distribution summary

18. What is FNSD analysis?
19. What are the essentials of a good method of overhead absorption?
20. Prepare a production account with imaginary figures.
21. From the following particulars prepare: 1. Profit and loss account in the financial books, and 2.Reconciliation statement.

Opening stock of raw materials 60,000; Purchase of raw materials Rs.3,60,000; Closing stock of raw materials Rs.90,000; Opening stock of finished goods Rs.1,20,000; Closing stock of finished goods Rs.30,000; Wages-Rs.1,50,000. Calculate the factory expenses at 25% on prime cost, Office expenses at 75% on factory expenses. Actual works expenses amounted to Rs.1,16,250 and actual office expense amounted to Rs.91,500. The selling price was fixed at a profit of 25 % on cost. Profit as per cost books-Rs.1,95,000.

(6×5=30)

### Part C

Answer any **two** questions.

Each question carries **15** marks.

22. Explain the different classification of cost.
23. A company has 2 production departments and 2 service departments. The following is the overhead as per primary distribution summary..

Production departments

A -Rs.12,000

B –Rs.4,000





Service departments

X -Rs. 7260

Y -Rs. 4000

The expenses of service departments are allocated as under:

	<i>A</i>	<i>B</i>	<i>X</i>	<i>Y</i>
<i>X</i>	40%	40%	-	20%
<i>Y</i>	20%	50%	30%	-

Ascertain the amount of overhead to be charged to production depts. A and B

Use: (a) Simultaneous equation method

24. Prepare a comparative cost sheet. The Cost of manufacturing a sewing machine is as under. Materials-Rs.100; Wages Rs.50; Variable overhead-Rs.25; Fixed overhead-Rs.75. The firm earns a profit of 20% on Cost. Number of Machines produced and sold-30,000, capacity is 40,000 machines. Should we accept an export for 5,000 machines at Rs.150 per machine?
25. What is the purpose of reconciling cost and financial accounts? Give the possible sources of difference between them. How will you prepare a reconciliation statement?

(2×15=30)

