



QP CODE: 23104542

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Reg No : .....

Name : .....

**B.VOC DEGREE REGULAR EXAMINATIONS, JANUARY 2023**

**Fifth Semester**

B.Voc Business Accounting and Taxation

**TBOC504 - COST ACCOUNTING**

2020 Admission Only

E2B200E9

Time: 3 Hours

Max. Marks : 80

**Part A**

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. Define Costing ?
2. What is Batch costing ?
3. What is Process loss ?
4. What is Abnormal process gain ?
5. What is service costing ?
6. Define Job Costing ?
7. A customer has been ordering 90,000 special design metal columns at the columns at the rate of 18,000 per order during the past years. The production cost comprises 120/- for material, 60/- for labour and 20/- for fixed overheads. It costs 1,500/- to set up for one run of 18,000 column and inventory carrying cost is 15% since this customer may buy at least 5000 columns this year, the company would like to avoid making five different production runs. Find the most economic production run.
8. What is job order costing ?
9. Briefly state about any two types of cost audit ?
10. What are the limitations of cost audit ?
11. What do you mean by manufacturing accounting ?
12. What is variable cost ?

(10×2=20)



### Part B

Answer any **six** questions.

Each question carries **5** marks.

13. Prepare cost sheet and find out cost of production per unit, profit per unit, and profit for the period. Raw materials consumed- 15000 Direct Wages- 9000 Machine hours worked - 900 Machine hour rate-5 Administrative OH- 20% On Works Cost Selling OH- 0.50 per unit Units produced- 17100 Units Sold 16000 for - 4 per unit
14. M/s. Anand and Sons produce 1,000 Toy Pianos. The estimated cost data is given below:  
Direct material - 50,000 Direct labour - 30,000 Direct expenses - 20,000 Factory overhead - 15,000 Administrative overhead - 10,000 Selling and distribution overheads - 5,000 Sales - 1,80,000 You are required to prepare a statement showing total and per unit cost and profit
15. Differentiate Process costing and Job Costing ?
16. A product passes from Process I and Process II. Materials issued to Process 1 amounted to 40,000, Labour 30,000 and manufacturing overheads were 27,000. Normal loss was 3% of input as estimated. But 500 more units of output of Process I were lost due to the carelessness of workers. Only 4,350 units of output were transferred to Process II. There were no opening stocks. Input raw materials issued to Process I were 5,000 units. You are required to show Process 1 Account.
17. Component 'Gold' is made entirely in cost centre 100. Material cost is 6 paise per component and each component takes 10 minutes to produce. The machine operator is paid 72 paise per hour, and machine hour rate is ` 1.50. The setting up of the machine to produce the component 'Gold' takes 2 hours 20 minutes. On the basis of this information, prepare a cost sheet showing the production and setting up cost, both in total and per component, assuming that a batch of : (a) 10 components, (b) 100 components
18. What is Cost Audit and explain its features.
19. Explain about the cost accounting standards.
20. Explain cost center and its features.
21. Prepare the statement of manufacturing cost from the following balances of W Miller for the year ended 31 December 2013. Stocks at 1 January 2013: Raw materials - 25,400, Work in progress - 31,100, Finished goods - 23,260 Purchases: Raw materials - 91,535, Carriage on raw materials - 1,960, Direct labour - 84,208, Rent - 3900, Depreciation: Works machinery - 10,200, Sales - 318,622, Factory fuel and power - 8,120, Stocks at 31 December 2013 were: Raw materials - 28,900; Work in progress - 24,600; Finished goods - 28,840.



### Part C

Answer any **two** questions.

Each question carries **15** marks.

22. The Accounts of Gaina manufacturing company for the year ended 31st December, 2014 show the following Drawing office salaries - 6,500 Counting house salaries - 12600 Carriage and cartage outwards-4300 Carriage and cartage on purchases - 7150 Bad debts – 6500 Repairs of plant, machinery and tools - 4450 Sales – 461100 Materials purchased - 185000 Loss on sale of investment – 1200 Travelling expenses - 2100 Goodwill written off – 4100 Travellers', salaries and commission - 7700 Preliminary expenses – 450 Productive wages - 126000 Director's fees – 6000 Manager's salary (factory  $\frac{3}{4}$ , Office  $\frac{1}{4}$ ) - 10000 General expenses – 3400 Income tax - 500 Dividend – 1000 Gas & Water- Factory - 1200 Office - 400 Depreciation : Plant & machinery & tools – 6500, Furniture - 300 Rent, rates, taxes and insurance : factory – 8500 Office – 2000 Stock of materials : 31st Dec. 2013 - 62800 31st Dec. 2014 - 48000 Prepare cost sheet.
23. Component 'Gold' is made entirely in cost centre 100. Material cost is 6 paise per component and each component takes 10 minutes to produce. The machine operator is paid 72 paise per hour, and machine hour rate is ` 1.50. The setting up of the machine to produce the component 'Gold' takes 2 hours 20 minutes. On the basis of this information, prepare a cost sheet showing the production and setting up cost, both in total and per component, assuming that a batch of : (a) 10 components, (b) 100 components, and (c) 1000 components is produced.
24. What is cost audit , it's types and procedures of cost audit?
25. What is Manufacturing account, features and uses and draw a specimen ?

(2×15=30)