



QP CODE: 22100106



Reg No : .....

Name : .....

**B.COM DEGREE (CBCS ) REGULAR / REAPPEARANCE EXAMINATIONS,  
JANUARY 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 : 2017 Admission Onwards**

**For Private Candidates : 2019 Admission Only**

B51FBA01

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. Define Profit Centre.
2. List out the factors to be considered while selecting a suitable method of overhead absorption.
3. What are chargeable expenses? Give an example.
4. Define inventory control. What are its objectives?
5. How will you treat materials returned to store?
6. What is weighted average price?
7. What is Time Wage system?
8. From the following particulars, find the amount of cash required for payment of wages in a factory for a particular month

Wages for normal hours worked	20500
Wages for overtime	2200
Leave wages	2700
Deduction of employee's share to State insurance	500
Employee's contribution to provident fund	1600





House rent is to be recovered from 30 employees at 20 per month

9. Calculate value of stock and profit. Direct material - Rs. 100000; factory expenses- Rs.60000; Prime cost-Rs. 205000; Office expenses- Rs.45000; Sales- Rs.315000. 10% of total output is in stock.
10. Calculate the Re - ordering level of material A from the following particulars:  
1. Minimum limit 500 units 2. Maximum limit 2500 units  
3. Daily requirement of material 100 units 4. Time required for fresh delivery 10 days.
11. Explain the terms : 1.Primary distribution 2.Secondary distribution
12. What are factory overheads?

(10×2=20)

### Part B

Answer any **six** questions.

Each question carries **5** marks.

13. Calculate the Inventory turnover ratio from the following details:

	Material X(Rs)	Material Y(Rs)
Opening Stock	25000	87500
Closing Stock	15000	62500
Purchases	190000	125000

Determine the fast moving material.

14. Distinguish between scrap and spoilage.
15. What is Overtime? Explain the treatment of overtime premium in Cost Accounts.
16. Distinguish between Halsey plan and Rowan plan.
17. Prepare a cost sheet with imaginary figures.
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. Calculate the composite machine hour rate from the following:  
i. Purchase price of the machine 90000  
ii. Freight & installation charges 10000  
iii. Life of the machine- 10 years @2000 working hours per year  
iv. Repair charges,40% of depreciation  
v. Power – 20units per hour @ Rs.0.80 per unit  
vi. Lubricating oil @ Rs.2 per day of 8 hours  
vii. Consumable stores @Rs.10 per day of 8 hours  
viii. Wages of machine operator @4 per day of 8 hours
20. The following are the estimated cost of producing 2,500 units. Raw materials-Rs.25,000; Direct





wages-Rs.5,000; Direct expense-Rs.2,500; Machine hours worked 2,500 hours. Machine hour rate-Rs.2.50; Office overhead-20% of Direct wages. Calculate cost per unit.

21. The following information relates to Bala Ltd. for the year ended 31.03.2016. Sales Rs.80,000; Raw material:Rs.24,000; Labour Rs.18,000; Works overhead and office expenses charged in cost accounts Rs.18,000 stands in 2:1 respectively. The actual expenses incurred are manufacturing Rs.13,000; Office Rs.5,600; Selling price includes 25% profit on sales. Prepare Trading, profit and loss account and cost sheet and reconcile the profits shown by them.

(6×5=30)

**Part C**

Answer any **two** questions.

Each question carries **15** marks.

22. The following are the particulars applicable to a work process:

Time Rate: 50 per hour

High Task: 40 units per week

Piece Rate above the High Task: 65 per unit

In a 40 hour week, the production of the workers was as follows:

A - 35 units

B - 40 units

C - 41 units

D - 52 units

Calculate the earnings of workers under Gantt task Bonus Plan.

23. In a factory there are 4 production departments A, B, C and D and 2 service departments X and Y. The departmental overheads are obtained in a summarised form as under:

Production Departments A Rs 1270

B Rs1460

C Rs 990

D Rs 830

Service departments X Rs 750

Y Rs 340

The overhead of service departments are charged out on percentage basis as given below

	A	B	C	D	X	Y
Department X	10%	30%	20%	20%	--	20%
Department Y	30%	20%	30%	10%	10%	--

Reapportion the service departments' overheads to production departments under simultaneous equation method

Ascertain overhead recovery rate in each production departments A,B ,C and D in which estimated working hours are 2000,3000,2600 and 1600 respectively

24. The Mature Company furnishes the following information on 31st December 2017. Opening Raw material:Rs.16,000;Closing Raw material:Rs.18,000; Raw material purchased:Rs.2,40,000;Direct Labour:Rs.1,80,000; Direct Expense:Rs.5,000; Works overhead @ 75% on direct labour cost; Administration overhead @ 10% of sales; Selling and distribution overhead @ 15% of sales.





Opening Work in progress:Rs.16,000; Closing Work in progress:Rs.10,000; Opening finished goods:Rs.5,000; Closing finished goods Rs.13,000; Sales:Rs.6,50,000. Prepare a cost sheet.

25. What is a reconciliation statement? Why is it necessary to reconcile the profit shown by cost and financial accounts? Explain the main sources of differences which would enter into such a reconciliation.

(2×15=30)

