

E 2950

(Pages : 4)

Reg. No.....

Name.....

B.Com. DEGREE (C.B.C.S.S.) EXAMINATION, APRIL 2022

Fifth Semester

Core Course 13—COST ACCOUNTING

(Common for Model I and Model II and UGC Sponsored B.Com. Degree Programmes)

[2013 to 2016 Admissions]

Time : Three Hours

Maximum Marks : 80

Answers may be written either in English or in Malayalam.

Part A

Answer all questions.

Each question carries 1 mark.

1. Explain the term 'costing'.
2. What is direct cost ?
3. Define sunk cost.
4. Write a note on "Goods Received Note".
5. Define MHR.
6. What is meant by acquisition cost ?
7. Explain the meaning of maximum stock level.
8. What is differential piece rates system ?
9. Distinguish between works cost and works on cost.
10. Explain the meaning of re-apportionment of overheads.

(10 × 1 = 10)

Part B

Answer any eight questions.

Each question carries 2 marks.

11. State any four limitations of cost accounting.
12. Briefly discuss the significance of cost accounting.
13. Distinguish between Centralised purchasing and Decentralised purchasing.
14. List the name of books for recording of materials.
15. What is meant by perpetual inventory system ?

Turn over

16. Define spoliage. How is spoliage accounted for ?
17. State the assumptions of EOQ.
18. Define cost sheet.
19. Write a note on separation method of measurement of labour turn over.
20. What is meant by overtime work ?
21. What do you mean by under absorption of overheads ?
22. Distinguish between 'normal' and 'Abnormal' idle time.

(8 × 2 = 16)

Part C

*Answer any six questions.
Each question carries 4 marks.*

23. State and explain the differences between the financial accounting and cost accounting.
24. What is a Bin card ? Give a specimen and discuss its utility.
25. Discuss various types of material wastages. How they are treated in accounting ?
26. What is meant by labour turnover ? Give the important measurement of labour turnover.
27. Explain Taylor's differential piece work rate method.
28. In a factory during the month of April 2018, 30000 units were produced and 25000 units were sold at Rs. 12 per unit. In order to produce these units, material worth Rs. 1,24,000 were consumed and direct wages were paid to the extent of Rs. 36,000. Factory overheads are charged at Rs. 16 per hour 640 hours were consumed in producing the units. Office overheads are charged at 20 % of work costs and selling overheads are charged at 0.40 paise per unit sold. Prepare cost sheet showing total cost and profit.
29. What is EOQ ? Calculate EOQ from the following :
 - Consumption 10000 kg./annum
 - Order cost per order Rs. 50
 - Cost per kg. of raw materials Rs. 2
 - Store cost 8 % on inventory.
30. There were 4000 worker in a factory in the beginning of the year. New entrants in service during the year were 250 and leavers were 120. Find (a) Labour turnover rate by replacement method; (b) Labour flux method.
31. The P & L account of Maria Engg. Co. for the year ending 31st March 2017 shows net profit of Rs. 50,000 while the profit as per cost accounts is Rs. 44,000. On scrutiny of both the books it was found :
 - (i) Factory overheads were under recovered in cost accounts by Rs. 6,000.
 - (ii) Office overheads were over recovered in cost accounts by Rs. 10,000.
 - (iii) Interest received Rs. 1,500 were credited in financial accounts.

- (iv) Interest on debenture Rs. 500 was paid but was not recovered in cost accounts.
 (v) Transfer fees Rs. 1,000 received on the transfer of shares were credited in financial accounts.

On the basis of the above information, prepare Reconciliation statement.

(6 × 4 = 24)

Part D

*Answer any two questions.
 Each question carries 15 marks.*

32. What do you understand by 'overheads'? Discuss the different methods of allocating the factory overheads.
 33. Find out the issue prices of the materials on FIFO and LIFO methods from the following particulars :

Receipt				Issue			
Date	Qty (kg.)	Rate (Rs.)	Date	Qty (kg.)	Rate (Rs.)	Qty (kg.)	Rate (Rs.)
2018			2018				
Feb. 10	200	12	Feb. 3	300			
15	300	14	12	100			
25	400	15	14	200			
28	100	16	18	200			
			26	400			

On 1st Feb. 2018 the opening stock was Rs. 400 kg. at Rs. 11 per kg.

34. Compute the MHR for machine No. 160 from the following information :

- Cost—Rs. 7,500.
- Scrap value—500
- Life—14000 hours
- Repairs for whole life—Rs. 3,500
- Standing charges for shop (for a month of 25 working days)—Rs. 200
- Working hours per day—8 hours.
- No. of machines in the shop—10
- Power used per machine per month—Rs. 50
- Machine insurance—2 % of depreciation.

Turn over

35. (a) Explain Halsey and Rowan premium plans.
- (b) From the following particulars calculate the earnings of worker under Rowan and Halsey premium bonus system.

Hourly rate of wages (guaranteed) Rs. 0.75

Standard time for producing one dozen articles is 3 hours.

Actual time taken by the worker to produce 20 dozen articles—48 hours.

(2 × 15 = 30)