

END OF SEMESTER EXAMINATIONS, NOVEMBER - 2018

COST ACCOUNTING

SUBJECT CODE: 12UACO15/16URPA17

MAJOR: B.Com./B.Com.-CA/B.Com(PA)

TIME : 3 HOURS

SEMESTER : V
MAX. MARKS: 75**SECTION - A (10 X 1 = 10)****Answer ALL the Questions:**

1. What is Cost?
2. Define Cost Centre.
3. Expand the term EOQ and ABC analysis.
4. What do you mean by labour turnover?
5. Write the meaning of overhead.
6. List out the methods of absorption of overhead.
7. Define Contract Costing.
8. Write any two objectives of transport costing.
9. What is Process Costing?
10. What is a Cost Sheet?

SECTION - B (5 X 4 = 20)**Answer Any FIVE Questions:**

11. State the objectives of cost accounting. Explain.
12. List out the advantages of cost accounting.
13. Calculate EOQ from the following particulars:
Annual usage 20,000 units, Buying cost per order Rs.10
Cost per unit Rs.100, Carrying cost 10% of cost.
14. Calculate the earnings of workers A and B under Taylor's differential piece rate system, from the following particulars:
Normal rate per hour Rs.18
Standard time per unit 20 seconds
Worker A produces 1400 units per day and B produces 1500 units per day of 8 hours.
15. Explain the need for reconciliation of cost and financial accounts.
16. Sathya & Co., undertook a contract for construction of a house. Contract price was Rs.40,00,000. The following are the details:

Particulars	Rs.
Materials sent to contract site	16,00,000
Labour: Skilled	6,00,000
Unskilled	4,00,000
Subcontracts for Electricity	4,00,000
Sundry expenses	2,00,000
Closing stock of Materials	1,00,000

Prepare Contract account and determine Profit or Loss.

17. Prepare Process Account from the following details:

Particulars	Process I	Process II
	Rs.	Rs.
Materials	40,000	6,000
Labour	15,000	16,000
Expenses (Direct)	5,000	3,000

Production Overhead Rs.46,500 to be allocated to Process I and II on the basis of 100% of Direct Wages. Production during the period 2000 units.

18. The following cost data are available from the books for the year ended 31.12.2000.

	Rs.
Direct material	9,00,000
Direct Wages	7,50,000
Profit	6,09,000
Selling and distribution Overheads	5,25,000
Administrative Overheads	4,20,000
Factory Overheads	4,50,000

Prepare a Cost Sheet.

SECTION - C (3 X 15 = 45)

Answer Any THREE Questions:

19. What are the differences between Financial Accounts and Cost Accounting?

20. The following is the record of receipts and issues of material A in a factory during the month of Jan 99.

1.1.99	Opening balance 100 kgs @ Rs.10
	Issued 60 kgs
2.1.99	Received 120 kgs @ Rs.11
3.1.99	Issued 50 kgs (Stock Verification showed a loss of 5 kgs)
4.1.99	Received back from orders 20 kgs (Previously issued at Rs.9 per kg)
6.1.99	Issued 80 kgs
7.1.99	Received 45 kgs @ Rs.12
10.1.99	Issued 50 kgs

Prepare Stores Ledger account under FIFO Method.

21. Explain the absorption of Overheads.

22. Compute Cost per running kilometer from the following data of a truck.

Estimated life of Vehicle 1,00,000 kms

Annual running 15,000 kms

Cost of Vehicle Rs.25,000

Road license (Annual) Rs.750

Insurance (Annual) Rs.700

Garage rent (Annual) Rs.900

Supervision (Annual) Rs.2,700

Driver's Wages per hour Rs.3.00

Cost of fuel per litre Rs.3.00

Repairs and Maintenance per km 1.75

Tyre allocation per km 0.90

Charge interest 5% pa on cost of vehicle. The vehicle runs 20 kms per hour on an average and one litre of fuel gives 20 km.

23. Prepare Process account and abnormal loss account.

Material issued to process 1000 kgs @ Rs.200 each.

Wages Rs.1,40,000

Overheads Rs.20,000

Normal loss 10% of output.

Actual output 800 kgs.
