

SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN
(AUTONOMOUS)

(Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)

Chromepet, Chennai - 600 044.

B.Com. - END SEMESTER EXAMINATIONS - APRIL 2025

SEMESTER - V

24UCOCT5014 - Cost Accounting

Total Duration : 2 Hrs.30 Mins.

Total Marks : 60

Section B

Answer any **SIX** questions ($6 \times 5 = 30$ Marks)

1. Define 'Cost accounting'. What are its basic purposes?
2. From the following information prepare costs and financial profits reconciliation statement:

	Rs.
Profits as per costing books	45,030
Income tax provided financial books	4,000
Bank interest (Cr) in financial books	150
Depreciation recorded in cost books	3,000
Depreciation charged in financial books	2,800
Works overheads over recovered	550
Administrative overhead under recovered	450
Interest on investments not included in cost accounts	1,200
Stores adjustment (credited in financial books)	120

3. Following information relating to a type of raw material is available:
Annual demand 2,400 units,
Unit price Rs.2.40,
Ordering cost per order Rs.4
Storage cost 2%, p.a.
Interest rate 10% p.a.
Lead time half month.
Calculate EOQ and total amount of inventory cost in respect of particular raw material.
4. Calculate the total earnings of the worker under Halsey and Rowan plan:
Standard time 10 hours
Hourly rate Rs.2,
Time taken 6 hours.
5. Calculate machine hour rate from the following:
Cost of machine Rs.19,200
Estimated scrap value Rs.1,200
Effective life of the machine 10,000 hours
Power used by machine 5 units per hour @ Re.0.19 per unit.

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6. Find the following particulars, prepare the store ledger under LIFO method.

Dec 1	Stock in hand	500 units at Rs.20
Dec 2	Issued	200 units
Dec 3	Purchased	150 units at Rs.22
Dec 4	Issued	100 units
Dec 5	Purchased	200 units at Rs.25

7. The following information is available from the costing records of a factory for the year 2018.

Worker employed in number 200

Working hours - 44 per week for 50 weeks in a year

Pre-determined factory overhead absorption rate Rs.5 per labour hour

Factory overhead expenses for 2018 Rs.24,00,000

Production for the year 10,000 units

Ascertain the amount of under/over absorption of factory overhead and also compute supplementary absorption rate per unit.

8. Distinguish between Cost centre and profit centre.

Section C

Answer any **THREE** questions (3 × 10 = 30 Marks)

9. State the factors to be considered while installing a costing system.

10. From the following information prepare a cost sheet for the month of Dec.2016.

	Rs.
Stock on hand – 1 st Dec.2016: Raw materials	25,000
Finished goods	17,300
Stock on hand – 31 st Dec.2016: Raw materials	26,200
Finished goods	15,700
Purchase of raw materials	21,900
Carriage on purchases	1,100
Work in progress 1.1.2016 at work cost	8,200
Work in progress 31.12.2016 at work cost	9,100
Sale of finished goods	72,300
Direct wages	17,200
Non-productive wages	800
Direct expenses	1,200
Factory overheads	8,300
Administrative overheads	3,200
Selling and distribution overheads	4,200

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11. Material 'A' is used as follows:
 Maximum usage in a month 600 Units.
 Minimum usage in a month 400 Units.
 Average usage in a month 450 Units.
 Lead time: Maximum 6 months, Minimum 2 months
 Reorder Quantity: 1,500 Units.
 Calculate (i) Reorder level
 (ii) Maximum level
 (iii) Minimum level
 (iv) Average stock level

12. Calculate the normal and overtime wages payable to a workman from the following data:

Days	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total
Hours worked	8	12	10	10	9	4	53

Normal Working hours – 8 hours per day, on Saturday – 4 hours. Normal rate Rs.2 per hour.

Overtime rate – upto 9 hours in a day at single rate and over 9 hours in a day at double rate. Or upto 48 hours in a week at single rate and over 48 hours at double rate, whichever is more beneficial to the workers.

13. A manufacturing concern has three production departments and two service departments. In July 2008, the departmental expenses were as follows:

	Rs.
Production departments	
A	16,000
B	13,000
C	14,000
Service Departments	
X	4,000
Y	6,000

The service department expenses are charged out on a percentage basis:

	A	B	C	X	Y
Expenses of department X	20%	25%	35%	-	20%
Expenses of department Y	25%	25%	40%	10%	-

Prepare a statement of secondary distribution under repeated distribution method.
