

**(FOR THE CANDIDATES ADMITTED
DURING THE ACADEMIC YEAR 2023 ONLY)**

23UCC409

REG.NO. :

N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI

END-OF-SEMESTER EXAMINATIONS : MAY - 2025

B.Com.-C.A

MAXIMUM MARKS: 75

SEMESTER: IV

TIME : 3 HOURS

**PART - III
COST ACCOUNTING**

SECTION – A

(10 X 1 = 10 MARKS)

ANSWER THE FOLLOWING QUESTIONS.

K1

1. Conversion cost excludes _____.
 - (a) Labour cost
 - (b) Factory overheads
 - (c) Direct expenses
 - (d) Direct material cost
2. ABC analysis is _____.
 - (a) Always Better Control
 - (b) Advantage of Better Control
 - (c) At Best Control
 - (d) None of these
3. Time wages are paid on the basis of _____.
 - (a) Standard time
 - (b) Time saved
 - (c) Output produced
 - (d) Actual time
4. Scrap value of normal loss is _____.

(a) Credited to P/L account	(b) Show in balance sheet
(c) Credited to process a/c	(d) Debited to process a/c
5. Job cost usually estimated on the basis of _____.

(a) Customer's specification	(b) Production cost
(c) Competitor's prices	(d) Government regulations

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES.

K2

6. What is cost sheet?
7. What do you mean by EOQ?
8. What do you mean by labour cost?
9. What is abnormal loss?
10. Define contract account.

SECTION – B

(5 X 5 = 25 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. K3

11. a) Discuss the objectives of cost accounting.

(OR)

b) Enumerate the advantages of cost accounting to the management and to the employees.

Purchases of raw materials	90,000
Carriage inwards	2,000
Direct wages	40,000
Chargeable expenses	15,000
Woks overheads	22,500
Administrative overheads	10,000
Selling & distribution overheads	14,000
Sales	2,20,000

(OR)

b) Explain briefly the difference between cost accounting and management accounting.

17.a) The stock in hand of a material as on 1st September was 500 units at Rs.10 per unit. The following purchases and issues were subsequently made. Prepare the stores ledger account showing how the value of the issues would be recorded under FIFO method.

Purchases:

6th Sept. 100 units at Rs.11
 20th Sept. 700 units at Rs.12
 27th Sept. 400 units at Rs.13
 13th Oct. 1,000 units at Rs.14
 20th Oct. 500 units at Rs.15
 17th Nov. 400 units at Rs.16

Issues:

9th Sept. 500 units
 22th Sept. 500 units
 30th Sept. 500 units
 15th Oct. 500 units
 22th Oct. 500 units
 11th Nov. 500 units

(OR)

b) From the following information relating to material A, Calculate EOQ and number of order per annum.

Annual demand	2,400 units
Unit price	Rs.3.20
Ordering cost per order	Rs.5
Storage cost	2% p.a.
Interest rate	10% p.a.

18. a) A manufacturing concern is divided into four departments. A.B and C are production departments and X is a service department.
 The actual expanses for a period are as follows.

	Rs.
Rent	10,000
Depreciation on plant	4,500
Supervisory expanses	15,000
Power	9,000
Repairs to plant	6,000
Lighting expanses	1,000
Fire insurance on stock	5,000
Employer's liability for employee's insurance	1,500

The following information is available in respect of four departments

	Dept. A	Dept. B	Dept. C	Dept. X
Area in Sq.ft.	1,500	1,100	900	500
Light points	15	11	9	5
Number of employees	200	150	100	50
Total wages (Rs.)	60,000	40,000	30,000	20,000
Value of plant (Rs.)	2,40,000	1,80,000	1,20,000	60,000
Value of stock (Rs.)	1,50,000	90,000	60,000	---

Apportion the costs to the various departments on the most equitable method.

(OR)

(CONT'D....4)

b) From the following particulars calculate labour cost for a day of 8 hours

(i) Basic wages	Rs.5 per day
(ii) Dearness allowances	25paise for every point over 100 cost of living index. Present cost of living index 800 points
(iii) Leave pay	5% of (i) and (ii)
(iv) Employer's contribution to PF	8% of (i) and (ii)
(v) Employer's contribution to state insurance	5% of (i), (ii) and (iii)
(vi) No. of working days in a month	25 days of 8 hours each

19.a) In process X 100 units of raw materials, bought at the rate of Rs.10 p.u were introduced. Other expenditure incurred in the process was Rs.800. Normal loss is 10% of the input. The scrap value of normal loss units is Rs.3 p.u. The output of process X was only 75 units. Prepare process X accounts.

(OR)

b) Explain process costing. List its distinctive features.

20.a) ST Construction Ltd undertook a contract on 1st April 2009. From the following particulars, prepare a contract account for the year ending 31st march 2010 and find the amount transferred to profit and loss A/c.

Direct purchase of materials	Rs. 90,000
Materials issued from stores	Rs. 25,000
Wages	Rs. 122,000
Direct expenses	Rs. 12,000
Machinery purchase	Rs. 80,000
Establishment charges	Rs. 27,000

The contract price was Rs. 750,000. Cash received up to 31.3.2010 was Rs. 300,000 which is 80% of work certified. Material at site Rs. 8000. Depreciation for machine Rs. 8,000.

(OR)

b) Prepare a Reconciliation statement from the following particulars

	Rs.
Net loss as per cost accounts	34,500
Net loss as per financial accounts	40,950
Works overheads under recovered in costing	6,240
Administrative overheads under recovered in excess	3,400
Depreciation reverred in costing	1,300
Depreciation reverred in financial accounts	12,500
Interest on investment not included in costing	6,000
Goodwill written-off	5,000
Provision for doubtful debts in financial accounts	1,260
Stores adjustment credit in financial accounts	950
Loss on stock charged in financial accounts	3,000
