

(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.

- 12.a) Calculate maximum level, minimum level and reordering level from the following data.
- | | |
|---------------------|--------------------|
| Re-order quantity | 1,500 units |
| Re-order period | 4 to 6 weeks |
| Maximum Consumption | 400 units per week |
| Normal Consumption | 300 units per week |
| Minimum Consumption | 250 units per week |

(OR)

- b) From the following particulars, calculate the Economic Order Quantity.
- | | |
|--|-------------|
| Annual requirement: | 1,600 units |
| Cost of material per unit: | Rs.40 |
| Cost of placing and receiving one order: | Rs.50 |
- Annual carrying cost of inventory: 10% of inventory value.
13. a) Calculate labour turnover in various methods
- | | |
|---|----|
| Total No. of employees at the beginning of the month 2010 | |
| Total No. of employees at the end of the month 1990 | |
| No. of employees who left during the month | 50 |
| No. of employees who are recruited during the month | 30 |
- (OR)
- b) The following particulars apply to a job.
- | | |
|---------------|----------------|
| Standard time | 10 hours |
| Time taken | 8 hours |
| Time rate | Rs. 2 per hour |
- Calculate earning under Rowan plan.
- 14.a) A product passes through two processes. The following process relate to 'A'. You are required to ascertain the process cost to be transfer to process 'B'.
- | | |
|-----------------------------|--------|
| | Rs. |
| Direct material (100 units) | 12,000 |
| Direct wages | 8,000 |
| Direct expenses | 5,000 |
| Overheads | 11,000 |
- Input 1000 units and output 1000 units as therein was no loss of units.
- (OR)
- b) A chemical factory produce 10,000 units of material. Loss allowed 5% in process A, the actual output was 9,300 units. Calculate the value of abnormal loss.
- 15.a) The total contract price in respect of contract A is Rs. 50,000. Three fourth of the work has been approved by the contractee. The costs incurred so far for contract A are Rs. 25,000. The contractee pays 80% of the work certified. Calculate the figure of profit which you consider reasonable to be taken to the credit of the profit and loss a/c.
- (OR)
- b) The following information is available from the job ledger in respect of job ledger No 708.
- | | |
|-------------------|----------|
| Material | Rs.3,400 |
| Wages 80 hours at | Rs.2.50 |
- Variable overheads incurred for all job is Rs.6,000 for 4,000 labour hours. Calculate the profit earned a job No 708 if it is billed for Rs.4,220.

SECTION – C**(5 X 8 = 40 MARKS)****ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. K4&K5**

16. a) From the following particulars prepare a cost sheet.

	1.1.2018	31.12.2018
	Rs.	Rs.
Raw materials	20,000	32,000
Work-in-progress	26,500	14,000

(CONTD....3)

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:	Issues:
6 th Sept. 100 units at Rs.11	9 th Sept. 500 units
20 th Sept. 700 units at Rs.12	22 th Sept. 500 units
27 th Sept. 400 units at Rs.13	30 th Sept. 500 units
13 th Oct. 1,000 units at Rs.14	15 th Oct. 500 units
20 th Oct. 500 units at Rs.15	22 th Oct. 500 units
17 th Nov. 400 units at Rs.16	11 th 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 expenses 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)

(CONTD....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 reversed in costing | 1,300 |
| Depreciation reversed 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 |
