



Date: 02-04-2019  
Time: 09:00-12:00

Dept. No.

Max. : 100 Marks

**SECTION – A**

**Answer ALL the questions:**

**(10 X 2 = 20)**

1. Define Cost Accounting?

2. What is tender?

3. What is contract costing?

4. What is Abnormal Loss?

5. What is Process Costing?

6. What is meant by 'Labour Turnover'?

7. Standard Time-10 hours

Time taken-8 hours

Time rate is ` 2.50 per hour

Calculate the total earning under Halsey plan

8. Calculate Raw material consumed from the following details

Raw materials purchased ` 80,000

Sale of material scraps ` 1,000

Opening stock of Raw-material ` 12,000

Closing stock of raw material ` 21,000

9. Calculate the economic ordering quantity from the following particular.

Annual requirement 1,600 units

Cost of material per unit ` 40

Cost of receiving one order ` 50

Annual carrying cost is 10% of inventory value

10. Ascertain the Labour Turnover under separation method

Employees on 1.1.2018 – 14,000

Employees on 31.11.2018 – 16,000

Employees who left during 2018 – 750

**SECTION – B**

**Answer any FOUR questions:**

**(4 X 10 = 40)**

11. What are the requisite of a good costing system?
12. Explain the bases of apportionment of overheads.
13. Distinguish between financial accounting and cost accounting.

14. Mr Kumar owns 10 taxis and the following information is available from the records maintained by him

Number of taxis	-	10
Cost of each taxi	-	Rs.54,600
Manager salary	-	Rs.700 p.m.
Accountant salary	-	Rs.500 p.m.
Cleaner salary	-	Rs.200 p.m.
Mechanic's salary	-	Rs.400 p.m.
Garage rent	-	Rs.600 p.m.
Insurance premium	-	5% p.a.
Annual tax	-	Rs.900 per taxi
Driver's salary	-	Rs.350 p.m. taxi
Annual repairs	-	Rs.1,000 per taxi

Total life of a taxi car is about 2,00,000kms. A taxi car runs, in all, 3,000 kms in a month and 30% of this distance has to be run without any passenger. Petrol consumption is one litre for every 10kms @ Rs.4.41 per litre. Oil and other sundries are Rs.10.50 per 100kms. Calculate the cost of running a taxi car per km.

15. Prepare a reconciliation statement from the following details:

<b>Particulars</b>	<b>Amount (Rs.)</b>
Net Loss as per Cost Accounts	3,44,800
Works overhead under recovered in costing	6,240
Depreciation overcharged in costing	2,600
Interest on investments	17,500
Administrative overhead over recovered in costing	2,600
Goodwill written off	92,000
Stores adjustment in financial books (Credit)	950
Depreciation of stock charged in financial books	13,500

16. A product passes through two processes and then to finished stock. The normal wastage of each process is as follows.

Process A – 3%                      Process B – 5%

The wastage of process A was sold at Rs.5 per unit and that of process B at Rs.10 per unit. 20,000 units were introduced into process A at the beginning of January 2008 at a cost at Rs.40 per unit.

	Process A (Rs.)	Process B (Rs.)
Sundry materials	40,000	60,000
Wages	2,00,000	3,20,000
Manufacturing Expenses	30,000	28,500

The output of process A was 19,000 units and that of process B 18,200 units. Prepare the Process Accounts.

17. Calculate the earnings of workers X and Y under (A) straight piece rate system and (B) Taylor’s differential piece rate system from the following details:

Standard time per unit = 12 minutes

Standard rate per hour = Rs.60              Differentials to be used 80% and 120%

A particular day of 8 hours, worker ‘X’ produced 30 units and worker ‘Y’ produced 50 units.

### SECTION – C

Answer any **TWO** questions:

(2X20 =40)

18. Draw a stores ledger card recording the following transactions under  
(a) FIFO method      (b) LIFO method

2017 July	1	Opening stock 2,000 unit at Rs.10 each
	5	Received 1,000 unit at Rs.11 each
	6	Issued 500 units
	10	Received 5,000 units at Rs.12 each
	12	Received back 50 units out of the issue made on 6 <sup>th</sup> July
	14	Issued 600 units
	18	Returned to supplier 100 units out of goods received on 5 <sup>th</sup>
	19	Received back 100 units out of the issue made on 14 <sup>th</sup> July
	20	Issued 150 units
	25	Received 500 units at Rs.14 each.
	28	Issued 300 units

The stock verification report reveals that there was a shortage of 10 units on 18<sup>th</sup> July and another shortage of 15 units on 26<sup>th</sup> July.

19. MuruganCo' Ltd has production departments A, B, and C and two service departments S1 and S2.

Monthly expenses in Rs:-

Rent – 5,000;

Indirect wages – 1,500;

Lighting – 600;

Depreciation – 10,000;

Power – 1,500;

Sundries – 10,000

Additional information:

Particulars	Production Departments			Service Departments	
	A	B	C	S1	S2
Floor space (Sq. Mts)	2,000	2,500	3,000	2,000	500
Light points (Nos)	10	15	20	10	5
Wages(Rs.)	3,000	2,000	3,000	1,500	500
H.P of machines (Kwh)	60	30	50	10	--
Value of machines (Rs.)	60,000	80,000	1,00,000	5,000	5,000
Working hours	6,226	4,028	4,066	-	--

The expenses of S1, S2 are allotted as follows:

	A	B	C	S1	S2
S1	20%	30%	40%	-	10%
S2	40%	20%	30%	10%	-

Calculate overhead charges recovery per hour.

20. The accounts of a machine manufacturing company disclose the following information for 6 months ending 31<sup>st</sup> December 2018.

	Rs.
Materials used	1,50,000
Direct wages	1,20,000
Factory overhead	30,000
Administrative expenses	15,000

Prepare cost sheet for the half year and calculate the price which the company should quote for the manufacture of a machine requiring materials valued at Rs.1,250 and expenditure in productive wages Rs.750, so that the price might yield a profit of 20% on the selling price.

21. Construction Ltd is engaged in two contracts A and B during the year. The following particulars are obtained at the end of December 2018

Particulars	Contract A April 1 Rs.	Contract B September 1 Rs.
Contract price	6,00,000	5,00,000
Materials issued	1,60,000	60,000
Materials returned	4,000	2,000
Materials at site December 31	22,000	8,000
Direct labour	1,50,000	42,000
Direct expenses	66,000	35,000
Establishment expenses	25,000	7,000
Plant installed at site at cost	80,000	70,000
Value of plant (December 31)	65,000	64,000
Cost of contract not yet certified	23,000	10,000
Value of contract certified	4,20,000	1,35,000
Cash received from contractees	3,78,000	1,25,000
Architect's fees	2,000	1,000

During the period materials amounting to Rs.9,000 have been transferred from contract A to Contract B. You are required to show:

- Contract accounts
- Contractee's accounts
- Balance sheet extracts, showing work-in-progress clearly

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