



LOYOLA COLLEGE (AUTONOMOUS) CHENNAI – 600 034

B.Com. DEGREE EXAMINATION – CORPORATE SECRETARYSHIP

FIFTH SEMESTER – NOVEMBER 2024

UBC 5503 – COST ACCOUNTING



Date: 14-11-2024

Dept. No.

Max. : 100 Marks

Time: 09:00 am-12:00 pm

SECTION A - K1 (CO1)

	Answer ALL the Questions	(10 x 1 = 10)
1. Definitions.		
a)	Cost Sheet.	
b)	Material Control.	
c)	Overtime.	
d)	Contract Costing.	
e)	Job Costing.	
2. Fill in the blanks.		
a)	_____ may be a location, person or item of equipment for which costs may be ascertained.	
b)	LIFO refers to _____.	
c)	_____ refers to percentage change in Labour force.	
d)	In Job costing each _____ is a cost unit.	
e)	_____ clause is applied to provide for unexpected increase in material prices, wage rates.	

SECTION A - K2 (CO1)

	Answer ALL the Questions	(10 x 1 = 10)
3. Match the following.		
a)	Direct Material - Piece rate	
b)	Bin card - Specific costing	
c)	Output produced - Operating costing	
d)	Batch costing - Prime cost	
e)	Transport Industry - Quantity of stock	
4. True or False.		
a)	Depreciation of Plant and Machinery is an example of factory overhead.	
b)	FIFO method is a classification of average price method.	
c)	Labour turnover indicates productivity of Labour.	
d)	Job costing is used for small industries.	
e)	Operating Costing is useful in decision making.	

SECTION B - K3 (CO2)

Answer any TWO of the following in 100 words each. (2 x 10 = 20)

5.	From the following particulars prepare the stores ledger by applying First In First Out Method	
	Date	Particulars
	2023 March 1	Purchased 300 units @ Rs 2 per unit
	2	Purchased 600 units @ Rs 3 per unit
	5	Issued 400 units
	8	Issued 200 units

	10	Purchased 600 units @ Rs 5 per unit	
	12	Issued 400 units	
6.	The following information relates to Toy Gun Manufacturing Co., for the 3 months ending 31st March 2023		
	Particulars	Amt. Rs	
	Direct Materials Consumed	18,000	
	Direct Labour	12,000	
	Direct expenses	4,000	
	Factory overheads	6,000	
	Administrative overheads	4,500	
	Selling and Distribution overheads	2,500	
	1000 units of toy gun produced during the period and all the units produced are sold @ Rs 53 per unit. Prepare a cost sheet		
7.	From the following details, ascertain the amount of cash required for payment of salaries in a firm for the month of January (i) Normal time salaries - Rs 65,000 (ii) Dearness allowance - 20% of (i) above (iii) Leave wages - 5% of(i) and (ii) above (iv) Employees contribution to ESI and PF 3% and 5% respectively on (i) and (ii)above (v) Income tax deduction at source - Rs 4,000 (vi) Deduction for insurance premium - Rs 5,000 (vii) Festival advance to be recovered from 60 employees at Rs 100 per employee		
8.	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 licence(annual) - Rs 700 Garage rent(annual) - Rs 900 Supervion(annual) - Rs 2700 Drivers wage per hour - Rs 3 Cost of fuel per litre - Rs 3 Repairs and Maintenance - Re 1.75 Tyre allocation per km - Re 0.90 Charge interest @ 5% per annum on cost of vehicle. The vehicle runs 20 kms per hour on an average and one litre of fuel gives 20 kms		
SECTION C – K4 (CO3)			
Answer any TWO of the following in 100 words each.			(2 x 10 = 20)
9.	Calculate (a)EOQ (b)Maximum level (c) Minimum level (d)Reordering level from the following data: Reorder period - 4 to 6 weeks Maximum Consumption - 100 units per week Minimum Consumption - 50 units per week Normal Consumption - 75 units per week Annual Consumption - 36,000 units Cost per unit - Re 1 Ordering cost - Rs 25 Inventory carrying cost is 20% of unit value		

10.	Write in detail the behaviour-wise classification of overheads															
11.	<p>The following data is available in respect of Job No 876:</p> <p>Direct Materials - Rs 17000</p> <p>Wages 160 hours @ Rs 50 per hour.</p> <p>Variable overheads incurred for all jobs Rs 80,000 for 2000 labour hours.</p> <p>Fixed overheads are absorbed at Rs 20 per hour</p> <p>Find the Profit or Loss from the job if the job is billed for Rs 40,000</p>															
12.	<p>Seema & Co., undertook a contract for construction of a private house. Contract price was Rs 40,00,000. The following were the details</p> <table><tr><td>Materials sent to site</td><td>16,00,000</td></tr><tr><td>Labour skilled</td><td>6,00,000</td></tr><tr><td>Unskilled labour</td><td>4,00,000</td></tr><tr><td>Subcontracts</td><td>4,00,000</td></tr><tr><td>Sundry expenses</td><td>2,00,000</td></tr><tr><td>Closing stock</td><td>1,00,000</td></tr></table> <p>Prepare contract account and determine profit or loss</p>	Materials sent to site	16,00,000	Labour skilled	6,00,000	Unskilled labour	4,00,000	Subcontracts	4,00,000	Sundry expenses	2,00,000	Closing stock	1,00,000			
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SECTION D – K5 (CO4)																
Answer any ONE of the following in 250 words (1 x 20 = 20)																
13.	<p>S industries produces a product which passes through two processes I and II and then to finished stock. It is ascertained that in each process 5% of the total weight put in is lost and 10% is scrap which realises Rs 5 per ton and Rs 15 per ton in Processes I and II. He following data are available</p> <table><tr><td>Particulars</td><td>Process I</td><td>Process II</td></tr><tr><td>Materials Consumed in tons</td><td>2000</td><td>140</td></tr><tr><td>Cost of material per ton</td><td>200</td><td>300</td></tr><tr><td>Wages(Rs)</td><td>20000</td><td>15000</td></tr><tr><td>Manufacturing exp(Rs)</td><td>6000</td><td>5000</td></tr></table> <p>Prepare Process Accounts showing cost of output of each process and cost per ton.</p>	Particulars	Process I	Process II	Materials Consumed in tons	2000	140	Cost of material per ton	200	300	Wages(Rs)	20000	15000	Manufacturing exp(Rs)	6000	5000
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14.	<p>Y Ltd., has four departments A, B, C and D are production departments. D is a service department. The actual costs for a period are as follows:</p> <p>Rent - Rs 4000</p> <p>Repairs - Rs 2400</p> <p>Depreciation - Rs 1350</p> <p>Lighting - Rs 300</p> <p>Insurance of stock - Rs 1500</p> <p>Supervision - Rs 4500</p> <p>Power - Rs 2700</p> <p>The following data are also available in respect of the four departments</p> <table><tr><td>Particulars</td><td>Dept A</td><td>Dept B</td><td>Dept C</td><td>Dept D</td></tr><tr><td>Area(Sq.ft)</td><td>300</td><td>220</td><td>180</td><td>100</td></tr><tr><td>No of workers</td><td>36</td><td>24</td><td>18</td><td>12</td></tr></table>	Particulars	Dept A	Dept B	Dept C	Dept D	Area(Sq.ft)	300	220	180	100	No of workers	36	24	18	12
Particulars	Dept A	Dept B	Dept C	Dept D												
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No of workers	36	24	18	12												

Value of Plant(Rs)	24000	18000	12000	6000
Value of stock(Rs)	15000	9000	6000	-

Apportion the cost to the various departments on the most equitable method

SECTION E – K6 (CO5)

Answer any ONE of the following in 250 words

(1 x 20 = 20)

15. The following transactions are recorded in respect of materials used in a factory during April
- April 1 opening balance 500 tonnes @ Rs 25
- 2 Issue 70 tonnes
- 4 Issue 100 tonnes
- 7 Issue 80 tonnes
- 12 Received from vendor 200 tonnes @ Rs 26
- 14 Refund of surplus from a work order 15 tonnes @ Rs 25
- 16 Issue 180 tonnes
- 20 Received from vendor 240 tonnes @ Rs 25
- 24 Issue 300 tonnes
- 25 Received from Vendor 320 tonnes @ Rs 28
- 26 Issue 112 tonnes
- 27 Refund of surplus from a work order 12 tonnes @ Rs 27
- 28 Received from vendor 100 tonnes @ Rs 29
- Prepare Stores Ledger Account using LIFO Method

16. The following details are available from the Co., books
- Materials -Rs 3,50,000
- Labour - Rs 2,70,000
- Factory overhead - Rs 81000
- Administrative overhead - Rs 56,080
- It is estimated that Rs 1000 for material and Rs 700 for labour will be required for one unit of the finished product for quotation purpose. Absorb factory and admn OH on the basis of works cost. A profit of 12.5% on selling price is required on quotations:
- (a) Prepare a cost sheet
- (b) Prepare a statement of selling price per unit of the finished product
