K16U 1836

Reg. No. : .....

Name : .....

V Semester B.Com. Degree (CBCSS – 2014 Admn. – Regular) Examination, November 2016

Core Course

5B10COM : COST ACCOUNTING

Time : 3 Hours Max. Marks : 40

PART – A

Answer **all** questions **each** carries ½ mark :

1. Difference between the time for which the worker are paid and the time they actually spent on production is _____.
2. _____ purchasing means that all the purchases are made by the specialized department organized for the purpose.
3. _____ is the stock level lies between the minimum and maximum level.
4. Under _____ system the wages are linked with volume of work done regardless of time taken. (4x½=2)

PART – B

Answer **any 4** questions **each** carries 1 mark :

5. Define overhead.
6. What is cost audit ?
7. Define cost control.
8. What do you mean by estimated cost ?
9. What is abnormal process loss ?
10. Define cost centre. (4x1=4)

P.T.O.

PART – C

Answer **any six** questions. **Each** carries **3** mark.

11. Distinguish between overhead allocation and apportionment.

12. What is cost plus contract ?

13. What are the element of process costing ?

14. From the following particulars prepare the cost sheet and find out the value of job :

    Direct material used for the job ₹ 8,500

    Productive wages ₹ 12,100

    Direct expenses ₹ 760

    Charge 60% of productive wages for factory overheads and 20% of works cost for office overhead. Profit to be earned on selling price is 20%.

15. Calculate EOQ from the following information :

    Annual consumption = 6000 units

    Cost of ordering = ₹ 15 per order

    Cost per unit = ₹ 2.50

    Carrying cost 20% of average inventory.

16. What are the merits of centralized purchase ?

17. The output of a worker 'X' is 100 units in 40 hrs per week. Graduated time rate is ₹ 4 per hr. Ordinary piece rate is ₹ 2 per unit. Show the earnings of the worker under piece rate and time rate system.

18. What are the disadvantages of time rate system ? **(6×3=18)**

PART – D

Answer **any two** questions. **Each** carries **8** mark.

19. The product of a manufacturing concern passes through two processes, A and B before reaching the finished stock. It is estimated that in each process, normally 5% of the total weight is lost; 10% becomes scrap which from process A and B realises ₹ 80 and ₹ 200 respectively.

The following are the other details :

	Process A	Process B
Materials (tons)	1,000	70
Cost of material (per ton) ₹	125	200
Wages	28,000	10,000
Manufacturing expenses	8,000	5,250
Output (tons)	830	780

Prepare the process account showing cost per ton of each process. There is no stock of work is progress.

20. From the following information relating to a machine installed in a factory, work out machines hour rate.

Purchase price of machine with scrap value nil 90,000

Installation charges 10,000

The working life of the machine is 10 years of 2000 working hour per annum
Repair charges 50% of depreciation

The machine consume 10 units of power @ 75 p.s. per unit.

Oil charges @ ₹ 5/- per day of 8 hours

Consumable stores @ ₹ 10 per day of 8 hours

Operator's wages ₹ 65 per day of 8 hours.

21. On the basis of the following information, calculate the earnings of Ram and Shyam under straight piece Basis and Taylor's differential piece rate system.

Standard production 8 units per hour.

Normal time rate ₹ 0.40 per hour.

Differential to be applied.

80% of piece rate below standard.

12% of piece rate at or above standard.

In a 9 hour day.

Ram produces 54 units.

Shyam produces 75 units. **(8×2=16)**