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**DHANALAKSHMI SRINIVASAN COLLEGE
OF ARTS & SCIENCE FOR WOMEN
(AUTONOMOUS)**

(For Candidates admitted from 2019-2020 onwards)

UG DEGREE EXAMINATIONS APRIL - 2021

B.COM & B. COM (CA)

COMMERCE & COMMERCE (CA)

COST ACCOUNTING



Time: 3 Hrs

Max.Marks: 75

PART - A

CHOOSE THE CORRECT ANSWER

(10X1=10)

1. Costing refers to the techniques and processes of _____
 - a) Ascertainment of cost
 - b) Allocation of cost
 - c) Apportion of cost
 - d) Distribution of cost
2. All Indirect elements of cost is known as-----
 - a) Indirect Cost
 - b) Prime Cost
 - c) Overhead
 - d) Specific cost
3. Stores ledger is maintained in the department.
 - a) Cost accounting
 - b) Stores
 - c) Purchase
 - d) Production
4. The quantity of material to be ordered at one time is known as
 - a) EOQ
 - b) ABC
 - c) VED
 - d) Re-order period
5. Labour turnover can be measured by the following methods except
 - a) Attrition method
 - b) Separation method
 - c) Replacement method
 - d) Flux method
6. According to Rowan premium plan, which of the following formula is used to calculate the bonus rate?
 - a) $(\text{Time saved}/\text{time allowed}) \times 100$
 - b) $(\text{Time allowed}/\text{time saved}) \times 100$
 - c) $(\text{Actual time taken}/\text{time allowed}) \times 100$
 - d) $(\text{Time allowed}/\text{actual time taken}) \times 100$
7. The process of distribution of overheads allotted to a particular department or cost center over the units produced is called
 - a) Allocation
 - b) Apportionment
 - c) Absorption
 - d) Departmentalization
8. Which of the following bases would be most appropriate to apportion the cost of electric power to factory departments?
 - a) Number of outlet points
 - b) Amount metered out
 - c) Cubic capacity of premises
 - d) Kilowatt capacity of machines
9. Normal loss and its scrap value are shown on the ----- side of process account
 - a) Income side
 - b) Expenses side
 - c) Credit side
 - d) Debit side

10. Usually a contract account of an incomplete contract reveals

- a) Gross profit b) Net profit c) Operating profit d) Notional profit

PART- B

ANSWER ALL THE QUESTIONS

(5X7=35)

11. a) List out the objectives of cost accounting.

(OR)

b) From the following particulars prepare cost sheet:

Direct Materials Rs. 8000, Direct Wages Rs. 6000, Direct Expenses Rs. 2500, Administrative Overheads Rs. 4000, Factory overheads Rs. 5000, sales Rs.40000.

12. a) Calculate EOQ:

Annual requirements 3600kgs, Cost of Placing & Receiving one order Rs. 10, Annual Carrying cost and Storage cost Rs. 20 P.U

(OR)

b) Form the following calculate: 1) Maximum stock level 2) Minimum stock level 3) Re-order level

Maximum consumption	420 units
Normal consumption	300 units
Minimum consumption	240units
Re-order quantity	3600 units
Re-order period	10 to 15 days
Normal Re-order period	12 days

13. a) Calculate the normal and overtime wages payable to a worker from the following data:

<u>Days</u>	<u>Hours worked</u>
Monday	8
Tuesday	10
Wednesday	9
Thursday	11
Friday	11
Saturday	8

Normal working hours 8 per day

Normal wages rate Rs. 1 per hour

Overtime rate up to 9 hours in a day at single rate and over 9 hours in a day at double rate.

(OR)

b) The output of worker Arun is 60 units in a 40 hours week. Guaranteed time rate is Rs. 5 per hour, ordinary piece rate is Rs.2 per unit. Calculate earnings of worker Arun under Time rate and Piece rate system.

14. a) From the following particulars calculate the machine hour rate:

Cost of machine Rs.42000

Estimated scrap value Rs. 2000

Estimated working life 20000 Hours

Running time for a week period 150 Hours

Estimated repairs for life Rs.10000

Standing charges allocated to this machine for a week Rs. 300

Power consumed per hour 5 units @10 paisa per unit

(OR)

b) The modern company is having four departments P,Q,R and S. The actual cost for a period are as follows:

Rent Rs. 2000, Repairs Rs. 1200, DepreciationRs.900, Lighting Rs.200, Supervision expenses Rs.3000 and Insurance Rs. 1000. The following data are also available:

	Dept P	Dept Q	Dept R	Dept S
Area Sq.ft	150	110	90	50
No.of.Workers	24	16	12	8
Value of Plant (Rs.)	24000	18000	12000	6000
Value of stock (Rs.)	15000	9000	6000	-

Apportion the costs to the various departments.

15. a) The following expenses is incurred for producing a product:

Materials (200 units) Rs. 4000

Labour Rs. 3000

Indirect expenses Rs.2000

Normal wastage is 15% of Input- one unit of wastage is sold at Rs. 16.50 each. Prepare process account.

(OR)

b) Identify the main features of process accounting.

PART-C

ANSWER ANY THREE QUESTIONS

(3X10=30)

16. The following data related to the manufacturing of product during the month April:

Raw material consumed	Rs.80000
Direct wages	Rs.48000
Machine hours worked	8000 hours
Machine hour rate	Rs.4
Office OH	10% on Work cost
Selling OH	Rs.1.50 P.U
Units produced	4000 units
Unit sold	3600 units @ Rs.50 each

Prepare cost sheet.

17. From the following information prepare stores ledger under LIFO method:

2018 June 1st Purchased 3000 units @Rs. 10 each

5th Purchase 600 units @ Rs. 14 each

10th Issued 2400 units

12th Purchased 400 units @ Rs.14 each

15th Issued 1000 units

20th Purchased 1000 units @ Rs. 11 each

25th Issued 400 units

18. Calculate the earnings of the workers X and Y under Taylors differential piece rate system and straight piece rate system:

Normal rate per hour Rs.18

Standard time per unit 20 seconds

Differential to be applied:

80% of piece rate below standard

120% of above standard

Worker X produces 1400 units per day and worker Y produce 1500 unit per day of 8 hours.

19. The kirush company is having three production departments A,B,C and two service department S1 and S2. The following information taken from the records of the company for the month of August 2018

Rent Rs. 20000, Indirect wages Rs. 6000, Depreciation of Machinery Rs.40000, Power Rs.6000, General Lighting Rs.2400 and Sundries Rs. 40000.

The following data are also available:

	Dept A	Dept B	Dept C	S1	S2	
Floor space Sq.ft	4000	5000	6000	4000	1000	Horse
power	120	60	100	20	---	
Direct Wages (Rs.)	6000	4000	6000	3000	1000	
Value of Machine (Rs.)	120000	160000	200000	10000	10000	
Light points	20	30	40	20	10	

Prepare Primary Over Head distribution Summary statement'

20. Mr. Sairam started work on a contract for Rs.500000 on 1.1.2018. The following information relating to the contract is available:

Material issued	Rs. 160000
Wage paid	Rs. 101200
Wages out standing on 31.3.2018	Rs. 37520
New machine purchased and sent to site	Rs. 148000
Direct charges paid	Rs. 7500
Direct charges outstanding on 31.3.2018	Rs. 600
Establishment charges relating to contract	Rs. 6400

On 31st2018 material lying unused at the site were valued at Rs.21620. Machinery are to be depreciated at 20% p.a. Value of work certified by 31.3.2018 was Rs.350000 while the cost of work done but not yet certified as on that date was Rs.18000. cash received from contractor till 31.3.2018 Rs.280000. Prepare contract account.