



K22U 2244

Reg. No. :

Name :

**V Semester B.Com. Degree (CBCSS – OBE-Regular/Supplementary/
Improvement) Examination, November 2022
(2019 Admission Onwards)**

Core Course

5B09 COM : COST ACCOUNTING

Time : 3 Hours

Max. Marks : 40

PART – A

Answer **any six** questions from the following. **Each** question carries **1** mark.

1. What do you mean by direct materials ?
2. What is meant by job evaluation ?
3. Define overheads.
4. Explain cost allocation.
5. What is joint cost ?
6. Explain uniform costing.
7. What is the purpose of calculating EOQ ?
8. Explain Re-order level of materials.

(6×1=6)

PART – B

Answer **any six** questions from the following. **Each** question carries **3** marks.

9. K Ltd. has 3 production departments A, B and C and 2 service departments D and E. Following figures are extracted from the records of the company :
Rent and rates – Rs. 5,000
Indirect wages – Rs. 1,500
Depreciation of machinery – Rs. 10,000
General lighting – Rs. 600
Power – Rs. 1,500
Sundries – Rs. 10,000

P.T.O.



Following further details are available :

	A	B	C	D	E
Floor space (sq.metres)	2,000	2,500	3,000	2,000	500
Light points	10	15	20	10	5
Direct wages (Rs.)	3,000	2,000	3,000	1,500	500
H P of machines	60	30	50	10	—
Value of machinery (Rs.)	60,000	80,000	1,00,000	5,000	5,000

Apportion the costs to various departments on the most equitable basis by preparing a primary distribution summary.

10. A transport company is running 4 buses between two towns which are 50 kms apart. Seating capacity of each bus is 40 passengers. The following particulars were obtained from their books for April 2019.
- Wages of Drivers and conductors Rs. 2,40,000
 - Office staff salary Rs. 1,00,000
 - Cost of Diesel and oil Rs. 4,00,000
 - Repairs and maintenance Rs. 80,000
 - Tax and Insurance Rs. 1,60,000
 - Depreciation Rs. 2,60,000
 - Interest and other charges Rs. 2,00,000
- Actual passengers carried were 75% of the seating capacity. All the four buses run on days of the month. Each bus made one round trip per day. Find out the cost per passenger kilometer.
11. From the following information, prepare job cost sheet for Job. No. 150
- Direct material consumed Rs. 1,000
 - Direct wages paid Rs. 2,000
 - Factory expenses 60% on wages
 - Office expenses 20% on factory cost
- The tender should include a profit of 20% on selling price.
12. From the following information, calculate Economic Order Quantity
- Annual Demand - 8,000 units
 - Cost of placing an order - Rs. 20
 - Interest on capital - 10%
 - Cost of storage per unit - Rs. 4
 - Materials cost per unit - Rs. 40.



13. From the following data for the year ended 31st March 2022, calculate the inventory turnover ratios and also calculate the number of days these two materials are kept in the store before its issue for production.

	Material A	Material B
	(Rs.)	(Rs.)
Opening Stock (01-04-2021)	20,000	18,000
Purchases	2,50,000	2,40,000
Closing Stock (31-03-2022)	30,000	22,000

14. Calculate the total earnings and effective rate of earnings per hour under Rowan System and Halsey System.

The standard time fixed for producing 1 dozen articles – 20 hours.

The standard rate of wages = Rs. 200 per hour

Actual time taken – 18 hours.

15. Explain how time booking differs from time keeping.

16. What is the purpose of maintaining both Bin Card and Stores ledger system ?

(6×3=18)

PART – C

Answer **any two** questions from the following. **Each** question carries **8** marks.

17. Two contracts that commenced on 01-Jan-21 and 01-Jul-21, respectively, were undertaken by a contractor and his accounts on 31-Dec-21 showed the following data :

	Contract 1	Contract 2
	(Rs.)	(Rs.)
Commencement of the contract	1-Jan-21	1-Jul-21
Materials	72,000	58,000
Wages	1,10,000	1,12,400
General expenses	4,000	2,800
Wages outstanding	4,000	4,000
Expenses outstanding		
Materials at site	4,000	4,000
Plant installed	20,000	16,000
Depreciation on Plant	10%	10%



Other information :

Contract price	4,00,000	2,70,000
Cash received for work certified	1,50,000	1,20,000
Work certified	2,00,000	1,60,000
Work uncertified	6,000	8,000

The plants were installed on the date of commencement of each contract; depreciation thereon is to be taken at 10% p.a. Prepare the contract accounts in the tabular form and ascertain the profit or loss to be taken to profit and loss account.

18. The following cost data are related to a product passing through 3 processes.

	Process 1	Process 2	Process 3
Materials (4,000 Kgs and Rs. 25)	1,00,000	—	—
Direct Labour	40,000	20,000	10,000
Other Expenses (Rs.)	12,400	10,600	22,930
Normal Loss as Scrap (%)	5%	4%	2%
Rate of Scrap value realised	Rs. 2.00	Rs. 4.00	Rs. 5.00
Actual output (Qty)	3,750	3,700	3,600

Prepare all the three Process A/cs, Abnormal Loss A/c and Abnormal Gain A/c.

19. PQR Ltd. has three production departments P1, P2 and P3 and two service departments S1 and S2. In April 2022, the departmental overheads after primary distribution were as follows :

Production Depts : P1 – Rs. 9,000 P2 – Rs. 6,000 P3 – Rs. 4,000

Service Depts : S1 – Rs. 1,000 S2 – Rs. 780

The service department expenses are allotted on a percentage basis as follows :

Departments	P1	P2	P3	S1	S2
P	30%	30%	20%	—	20%
Q	40%	30%	20%	10%	—

Prepare a statement showing the distribution of expenses of the two service departments to three departments under the repeated distribution and simultaneous equations methods.

(2×8=16)