(PAGES: 4)

D4BCM2303 **Reg. No.............................**

Name: ....

FOURTH SEMESTER B.Com. DEGREE EXAMINATION, APRIL 2025

(Regular/Improvement/Supplementary)

FINANCE AND COMPUTER APPLICATION

GBCM4B05T: COST ACCOUNTING

Time: 2 ½ Hours **Maximum Marks: 80**

SECTION A: Answer the following questions. Each carries *two* marks.
(Ceiling 25 marks)

1. Name the industries to which contract costing is applicable.
2. How is abnormal wastage treated in process accounts?
3. What is a budget center?
4. Comment on multiple costing.
5. What is centralized purchasing?
6. Distinguish between purchase requisition and material requisition.
7. What is wages abstract?
8. Differentiate between costing and cost accounting.
9. What are administrative overheads?
10. List out the methods of absorption.
11. What is the treatment of opening and closing work in progress in cost sheet?
12. What is job cost sheet?
13. How do you classify expenses in service costing?
14. Distinguish between idle time and idle capacity.
15. Mention the different types of material variances.

SECTION B: Answer the following questions. Each carries *five* marks.
(Ceiling 35 marks)

16. Mention the cost unit in the following cases: (i) Brick works, (ii) Electricity company, (iii) Colliery, (iv) Hospital, (v) Hotel
17. Calculate the economic order quantity :

    Annual consumption of material ………………4,000 kg

    Cost of placing an order……………………………₹ 5

(PTO)

Cost per unit…………………………………………….₹ 2 per kg

Storage and carrying cost…………………………8% on average inventory

18. From the given information calculate the machine hour rate:

    Cost of the machine ₹11,000, Scrap value ₹1,000

    Effective working life of the machine 10,000 hours

    Repairs for the whole life of the machine ₹1,500

    Standing charges for the month ₹1,600 (4 machines of equal size)

    Number of hours in a month 120

    Power consumption for the machine is 6 units per hour at 10 paise per unit

19. Work out the machine-hour rate for the following machine whose scrap value is nil:

    Cost of machine ₹ 90,000

    Freight and installation charges ₹ 10000

    Working life 10 years

    Working hours 2,000 per year

    Repair charges 50% of depreciation

    Power 10 units per hour @ 10 paise per unit

    Lubricating oil @ 2 per day of 8 hours

    Consumable stores @10 per day of 8 hours

    Wages of operator @ 4 per day

20. The following data relate a Job No. 505. Material ₹50,000, wages ₹30,000, chargeable expenses ₹10,000. Charge factory overheads at 20 % on wages and office overheads 5% on factory cost. Ascertain the total cost of the job.
21. A transport service company is running four buses between two towns which are 50 kms apart. Seating capacity of each bus is 40 passengers. Actual passengers carried were 75 percent of the seating capacity. All the four buses ran on all the days of the month April 2024. Each bus made one round trip per day. Calculate total kms. and total passengers kms. for the month.
22. What are the managerial uses of variance analysis?
23. Distinguish between ZBB and traditional budget.

SECTION C: Answer any *two* questions. Each carries *ten* marks.

24. The record of issue and receipts of material for a month is given below. You are required to prepare Store Ledger Account and show the transactions charging the issue on the principle of First in First out method. The store verification report reveals a loss of 5 tonnes on the 15th and another shortage of 4 tonnes on 28th of month.

August 1	Opening Balance 500 tonnes @20.00 per tonne
August 2	Issue 50 tonnes
August 4	Purchase from vendors 200 tonnes @19.50 Refund of surplus from a work. Order @19.00 per ton
August 6	Issue 200 tonnes
August 8	Purchase from vendors 150 tons @ 20.50 per tonne
August 10	Issue 50 tonnes
August 15	Issue 250 tonnes
August 20	Purchase from vender 300 tonnes @20.00 per tonne
August 25	Issued 200 tonnes
August 29	Refund of surplus from a work order 15 tonnes @ ₹ 20.50 per ton

25. Calculate total monthly remuneration of three workers A, B, and C from the following data:

(a) Standard production per month per worker-1,000 units.

(b) Actual production during a month: A-850 units, B-750 units and C-950 units

(c) Piece work rate 10 Paisa per unit (actual production)

(d) Additional production bonus is ₹10 for each percentage of actual production exceeding 80%, actual production over standard (e.g., 79%: nil, 80%: nil. 81%: ₹10, 82%: ₹20 and so on).

(e) Dearness pay fixed: 750 per month.

26. The Excel Electricals Ltd. manufactures a product. A summary of its activities for 2024 is as follows.

(PTO)

		Units	₹
Sales		80,000	8,00,000
Material inventory:	1/1/24		40,000
	31/12/24		32,000
WIP inventory:	1/1/24		55,000
	31/12/24		72,000
Finished goods inventory:	1/1/24	16,000	64,000
	31/12/24	24,000	96,000
Material purchased			1,52,000
Direct labour			1,45,000
Manufacturing overhead			1,08,000
Selling expenses			50,000
General and administration expenses			40,000

Prepare a cost sheet. calculate total cost of goods manufactured, value of closing stock of goods under LIFO method

27. A Company of contractors began to trade on 1st Jan.2024. During 2024 the company was engaged on only one contract of which the contract price was ₹5,00,000. Of the plant and materials charged to contract, plant costing ₹ 5,000 and material costing ₹4,000 were lost in an accident. On 31st Dec. 2024, plant costing ₹5,000 was returned to stores. Cost of work uncertified, but finished ₹ 2,000 and material costing ₹ 4,000 were in hand on site. Charge 10% depreciation on plant. compile Contract A/c and Balance Sheet from the following:

Share capital…………………………………..……₹ 1,20,000
Creditors……………………………………………₹ 10,000
Cash received (80% of work certified) …………….₹ 2,00,000
Land and buildings…………………………………₹ 43,000
Bank balance……………………………………….₹ 25,000
Charged to contract:
Materials ………………………………….…………. ₹ 90,000
Plant ……………………………………………...……₹ 25,000
Wages ………………………………………………₹ 1,40,000
Expenses …………………………..…………………₹ 7,000

(2 x 10 = 20 Marks)