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Name.....

Reg. No.....

**FOURTH SEMESTER (CBCSS—UG) DEGREE EXAMINATION  
APRIL 2024**

B.Com./B.B.A./B.H.A./B.T.H.M.

BCM 4B 05—COST ACCOUNTING

(2019 Admission onwards)

Time : Two Hours and a Half

Maximum : 80 Marks

*Answers should be written in English only.***Part A***Answer all the questions.**(2 marks each).**(Max. 25 Marks)*

1. Define costing.
2. What is absorption costing ?
3. What is shut down cost ?
4. What is cost unit ?
5. What is bin card ?
6. What is maximum level ?
7. What is ABC Analysis ?
8. What is time keeping ?
9. What is machine hour rate ?
10. What is overtime ?
11. What is retention money ?
12. What is cost sheet ?
13. Define Budget.

**Turn over**

14. What is standard costing ?  
 15. What is material cost variance ?

(15 × 2 = 30 Maximum ceiling 25 Marks)

**Part B**

*Answer all the questions.*

*(5 marks each)*

*(Max. 35 Marks).*

16. Distinguish between Job costing and Process costing.  
 17. Discuss about Absorption, Over Absorption and Under Absorption of overheads.  
 18. Distinguish between financial accounting and cost accounting.  
 19. What are the preliminaries to the establishment of standard costs ?  
 20. From the following information, prepare a Cost sheet for manufacturing a mixer grinder.

Direct materials consumed	1000
Direct wages paid	2000
Factory expenses	60 % on wages
Office expenses	20 % on factory cost

The tender price of mixer grinder should include a profit of 20 % on selling price.

21. From the following data, calculate : (a) Re-order Level ; (b) Maximum Level ; and (c) Minimum Level.

Re-order Quantity	1500 Units
Re-order period	4 to 6weeks
Maximum Consumption	400 Units per week
Normal Consumption	300 Units per week
Minimum Consumption	250 Units per week.

22. The following is an extract of the record of receipts and issues of a chemical during the month of March 2021.

2022 March 1	Opening Balance 300 Units @ Rs. 20 per Unit
2022 March 3	Issued 150 Units
2022 March 4	Issued 100 Units
2022 March 10	Received from supplier 200 units @ Rs. 19 per unit
2022 March 16	Issued 65 units
2022 March 20	Received from supplier 240 units @ Rs. 22 per unit
2022 March 24	Returned to supplier 20 units out of purchase of 20th March
2022 March 25	Purchased 100 units @ Rs. 24 per unit
2022 March 26	Issued 180 Units
2022 March 28	Received back from Manufacturing Dept, to stores, 15 Units

Stock verification on 18th March revealed a shortage of 10 units and on 31<sup>st</sup> March showed an excess quantity of 5 units. Prepare the stores ledger under FIFO method.

23. Calculate earnings of workers under Halsey Plan

Standard Time allowed	10 Hours
Actual time taken - Worker A	12 Hours
Worker B	10 Hours
Worker C	7 Hours

Hourly rate of wages is Re. 0.50.

(8 × 5 = 40 Maximum ceiling 35 Marks)

Turn over

**Part C**

Answer any **two** of the following.  
10 marks each.

- 24 The National Co. Ltd. is having four departments. A, B and C are producing departments and D is a service department. The actual costs for a period are as follows :

Rent	...	10,000
Repairs	...	6,000
Depreciation	...	4,500
Light	...	1,000
Supervision	...	15,000
Insurance of stock	...	5,000
Employer's contribution to employees' insurance scheme	...	1,500
Power	...	9,000

	<i>Department A</i>	<i>Department B</i>	<i>Department C</i>	<i>Department D</i>
Area (Sq. metres)	1,500	1,100	900	500
No. of workers	200	150	100	50
Total Wages	Rs. 60,000	Rs. 40,000	Rs. 30,000	Rs. 20,000
Value of plant	Rs. 2,40,000	Rs. 1,80,000	Rs. 1,20,000	Rs. 60,000
Value of Stock	Rs. 1,50,000	Rs. 90,000	Rs. 60,000	—

Apportion the costs to various departments on the most equitable method.

- 25 The output from Process X totalled 2,500 units. It was considered that 200 units were an abnormal loss. Normal loss allowed was 10 %. Additional information obtained was as under :
- Materials at Rs. 10 per unit, labour Rs. 8,000 overhead Rs. 6,700, wastage realised Rs. 5 per unit. You are required to prepare process account and Abnormal loss account.
26. Define Contract costing. What are its features ? How profit or loss is ascertained on contracts ?
27. Define Costing. Discuss the various methods of costing.

(2 × 10 = 20 marks)