

TDC (CBCS) Even Semester Exam., 2024

COMMERCE

(4th Semester)

Course No. : COMHCC-401T

(Cost Accounting)

Full Marks : 70

Pass Marks : 28

Time : 3 hours

*The figures in the margin indicate full marks
for the questions*

UNIT—I

1. Answer any two of the following questions :

2×2=4

- (a) Write two advantages of Cost Accounting.**
- (b) What is semi-variable cost? Give one example.**
- (c) Write the main elements of cost.**

(2)

2. Answer any *one* of the following questions : 10

(a) Distinguish between Cost Accounting and Financial Accounting.

(b) From the following information, prepare a Cost Sheet showing the Prime Cost, Factory Cost, Cost of Goods Sold, Cost of Sales and the Profit :

(i) Cost of materials @ ₹ 13 per unit

(ii) Labour cost @ ₹ 7.50 per unit

(iii) Factory overheads are absorbed @ 60% of labour cost

(iv) Administration overheads are absorbed @ 20% of factory cost

(v) Selling overheads are charged @ ₹ 2.50 per unit sold

(vi) Opening stock of finished goods—
500 units @ ₹ 19.75(vii) Closing stock of finished goods—
250 units(viii) Sales—10250 units at a profit of
20% on sales

(3)

UNIT—II

3. Answer any *two* of the following questions :

2×2=4

(a) What is meant by the term 'EOQ'?

(b) Write the formula for calculating maximum level of stock.

(c) What is meant by idle time in the case of labour costing?

4. Answer any *one* of the following questions : 10

(a) What are the methods of pricing material issues? Distinguish between Bin Card and Stores Ledger. 4+6=10

(b) Standard time allowed for a job is 50 hours. The hourly rate of wages is ₹ 10 per hour plus a dearness allowance of ₹ 5 per hour worked.

The actual time taken by the worker was 40 hours.

Calculate his total wages on—

(i) Time Basis;

(ii) Piece Basis;

(iii) Halsey Plan;

(iv) Rowan's Plan.

(4)

UNIT—III

5. Answer any *two* of the following questions :

2×2=4

- (a) Give two examples of indirect material cost.
- (b) On what basis is factory rent apportioned?
- (c) What is meant by absorption of overheads?

6. Answer any *one* of the following questions : 10

- (a) Discuss the reasons that cause over- and under-absorption of overheads.
- (b) Determine machine hour rate of a Saw Mill from the following information supplied by a wood working shop :
- (i) Purchase of a Saw Mill—₹ 90,000
- (ii) Freight, other incidental and installation charges—₹ 10,000
- (iii) Life of the Saw Mill is 10 years @ 2000 working hours per year
- (iv) Repair charges—50% of depreciation

(5)

(v) Consumption of electric power—10 units per hour @ 7 paise per unit

(vi) Lubricating oil @ ₹ 2 per day of 8 hours

(vii) Consumable Stores @ ₹ 10 per day of 8 hours

(viii) Wages for machine operator ₹ 4 per day of 8 hour

UNIT—IV

7. Answer any *two* of the following questions :

2×2=4

- (a) Give two examples of industries where unit costing is applied.
- (b) What is meant by job costing?
- (c) Write two differences between Process Costing and Job Costing.

8. Answer any *one* of the following questions : 10

- (a) What is meant by Contract work? Discuss how profit on incomplete contract determined. 2+8=10

- (b) From the following information, prepare Process—B A/c and other related A/cs :

2000 units are transferred to Process—B @ ₹ 4 per unit. Other details relating to the process are as follows

Materials—₹ 4,000

Labour—₹ 1,000

Overhead—₹ 700

The normal loss has been estimated @ 10% of the process input. Units representing normal loss can be sold @ ₹ 1 per unit. Actual production in the process is 1900 units. Output of Process—B is transferred to finished stock.

UNIT—V

9. Answer any *two* of the following questions :

2×2=4

- (a) Mention two accounts that are maintained under integral accounting system.
- (b) What is meant by non-integral system of accounting?
- (c) Mention two purely financial charges that do not enter into Cost Accounting records.

10. Answer any *one* of the following questions : 10

- (a) The profit disclosed by a Company's Cost Accounts for the year was ₹ 30,114, while the net profits shown by the Financial Accounts amounted to ₹ 19,760. On reconciling the figures, the following differences are brought to light :

(i) Overheads in the Cost Accounts were estimated at ₹ 7,500. The charge for the year shown in the Financial Accounts was ₹ 6,932

(ii) Director's fees not charged to the Cost Accounts—₹ 750

(iii) The company has allocated ₹ 600 to Provision for Doubtful Debts

(iv) Depreciation of ₹ 600 omitted from Cost Accounts

(v) Transfer fees accounted to ₹ 28

(vi) The amount charged to income tax ₹ 9,000

Prepare a Reconciliation Statement.

- (b) Discuss the advantages of integral accounting system.
