GS-442

IV Semester B.Com. Examination, May/June - 2019

COMMERCE

4.4 Cost Accounting

(CBCS) (Fresh+Repeaters) (2015-16 & Onwards)

Time : 3 Hours

Instructions to Candidates :
Answer should be written completely either in English or in Kannada.

Section A

1. व्यापार किमतें तथा उपयोगी परिस्थिती नियुक्त. तुम सन्दर्भानुसार व्यापक २ व प्रश्न. 5x2=10

(a) सामग्री किमतें व्याख्या करें?
(b) अथवा किमतें व्याख्या करें?
(c) हमारा आयुक्तनियुक्तकरण क्या है?
(d) आयुक्तनियुक्त संस्थान ग्राहकों के लिए संबंधित है?
(e) हमें ग्राहक किमतें व्याख्या करें?
(f) अथवा अच्छी व्याख्या करें? उपयोगी परिस्थिती कारण एवं विवरण का विवेचना करें?
(g) आयुक्तनियुक्त किमतें व्याख्या करें.

Answer any five sub-questions. Each question carries two marks.

(a) What are the elements of Cost ?
(b) What are Indirect materials ?
(c) Define Overhead.
(d) How do you calculate wages under Halsey plan?
(e) What is semi-fixed cost ?
(f) What are service departments ? Give an example.
(g) State the purpose of preparing a Reconciliation Statement.

Section B

2. व्यापार ध्वस्त रूप में दो उपयोगी उद्देश्य नियुक्त. तुम सन्दर्भानुसार व्यापक ६ प्रश्न. 3x6=18

Answer any three questions. Each question carries six marks.

Briefly explain the three objectives of cost accounting.
3. The company uses certain materials in its manufacturing process. It has received orders for the following quantities:

(a) 4000 units at ₹ 5000
(b) 100 units at ₹ 100
(c) 80 units at ₹ 80
(d) 8% of the above quantities as storage and carrying cost

From the following information, calculate Economic Order Quantity and calculate number of orders to be placed in a year.

(a) Quarterly consumption of materials: 4000 units
(b) Cost of placing one order: ₹ 100
(c) Cost per unit: ₹ 80
(d) Storage and carrying cost: 8% of inventory

4. The company manufactures finished goods. The following information is available:

- Opening stock: ₹ 5,000,000
- Closing stock: 5,000 units at ₹ 25 per unit
- Selling expenses: 5,000 units at ₹ 5 per unit
- Profit on sales: 20% on sales

From the following information, prepare a cost sheet.

Cost of production: ₹ 5,000,000
Opening stock of finished goods (@ ₹ 25 per unit): 2500 units
Closing stock of finished goods: 5000 units
Selling expenses @ ₹ 5 per unit sold
Profit @ 20% on sales
7500 units were sold.
5. FIFO ರೀತಿಯಲ್ಲಿ ಒಂದಿದ್ದಿರುವ ವಸತಿಗಳ ಮೊತ್ತದ ಸರಿಸಂಖ್ಯೆ ಕೃತಿಗಳು ಇದಾಯಿತು.

ಏಪ್ರಿಲ್ 2019, 1-500 ಉತ್ಪಾದನೆಗಳಿಗೆ ಚುಚ್ಚು ಮೊತ್ತದರ ರೂ. 20 ರಿಂದ ಹೆಚ್ಚುವಾಗಿರುತ್ತದೆ
ಏಪ್ರಿಲ್ 2019, 10-300 ಉತ್ಪಾದನೆಗಳಿಗೆ ಚುಚ್ಚು ಮೊತ್ತದರ ರೂ. 24 ರಿಂದ ಹೆಚ್ಚುವಾಗಿರುತ್ತದೆ
ಏಪ್ರಿಲ್ 2019, 15-700 ಉತ್ಪಾದನೆಗಳಿಗೆ ವೈವಿಧ್ಯ
ಏಪ್ರಿಲ್ 2019, 20-400 ಉತ್ಪಾದನೆಗಳಿಗೆ ಚುಚ್ಚು ಮೊತ್ತದರ ರೂ. 28 ರಿಂದ ಹೆಚ್ಚುವಾಗಿರುತ್ತದೆ
ಏಪ್ರಿಲ್ 2019, 25-300 ಉತ್ಪಾದನೆಗಳಿಗೆ ವೈವಿಧ್ಯ
ಏಪ್ರಿಲ್ 2019, 28-500 ಉತ್ಪಾದನೆಗಳಿಗೆ ಚುಚ್ಚು ಮೊತ್ತದರ ರೂ. 22 ರಿಂದ ಹೆಚ್ಚುವಾಗಿರುತ್ತದೆ
ಏಪ್ರಿಲ್ 2019, 31-200 ಉತ್ಪಾದನೆಗಳಿಗೆ ವೈವಿಧ್ಯ

From the following information, prepare Stores Ledger Account under FIFO Method.

Jan 2019, 1 Received 500 units @ ₹ 20 per unit
Jan 2019, 10 Received 300 units @ ₹ 24 per unit
Jan 2019, 15 Issued 700 units
Jan 2019, 20 Received 400 units @ ₹ 28 per unit
Jan 2019, 25 Issued 300 units
Jan 2019, 28 Received 500 units @ ₹ 22 per unit
Jan 2019, 31 Issued 200 units

6. ವಸತಿಗಳಿಗೆ ಸರಿಸಂಖ್ಯೆ ರೂ. 100 ರಿಂದ, 30 ರಿಂದ ಹೆಚ್ಚುವಾಗಿರುತ್ತದೆ, ಹೆಚ್ಚುವಾಗಿರುತ್ತದೆ. ಅಗತ್ಯ ಸಮಯದಲ್ಲಿ 6 ರಿಂದ ಮೊತ್ತದಲ್ಲಿ, ಹೆಚ್ಚುವಾಗಿರುತ್ತದೆ, ಅರೆಯ ಸಮಯದಲ್ಲಿ ಮೊತ್ತದಲ್ಲಿ 6 ರಿಂದ ಹೆಚ್ಚುವಾಗಿರುತ್ತದೆ.

Standard time allowed for a job is 30 hours at the rate of ₹ 100 per hour. Actual time saved by a worker is 6 hours. Calculate his earning under Halsey system and Rowan system.
Answer any three question, each correct answer carries fourteen marks.

7. The following transactions occurred in purchases and issue of materials in an organisation during February 2019.

<table>
<thead>
<tr>
<th>Receipts</th>
<th>Quantity</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>04-02-2019</td>
<td>800 units</td>
<td>₹ 24 per unit</td>
</tr>
<tr>
<td>10-02-2019</td>
<td>600 units</td>
<td>₹ 23 per unit</td>
</tr>
<tr>
<td>18-02-2019</td>
<td>400 units</td>
<td>₹ 24 per unit</td>
</tr>
<tr>
<td>22-10-2019</td>
<td>400 units</td>
<td>₹ 23.50 per unit</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Issues</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>05-02-2019</td>
<td>1000 units</td>
</tr>
<tr>
<td>12-02-2019</td>
<td>800 units</td>
</tr>
<tr>
<td>25-02-2019</td>
<td>1000 units</td>
</tr>
</tbody>
</table>

The stock on 01-02-2019 was 800 units @ ₹ 25 per unit. Prepare the stores ledger account under FIFO and LIFO method.
8. The following details are related to Machine X:

- Cost of the machine: ₹10,00,000
- Estimated Life: 10 years
- Transportation and installation charges: ₹3,00,000
- Scrap value: ₹1,00,000
- Yearly working hours: 2750 hours

The following are the other details:

- Setting up time is estimated at 200 hours which is regarded as productive time.
- Motive power 20 units per hour @ ₹20 per unit
- Oil and other consumables: ₹4000 p.m.
- Rent: ₹8,000 p.m. of which 1/4 is allocated to this machine.
- Supervisor salary: ₹10,000 p.m. (1/5th of his time is devoted to this machine)
- Other departmental overheads allocated to this machine: ₹15,000 p.m.
- Repairs and maintenance cost of the machine: ₹45,000 p.a.
- Lighting: ₹30,000 p.a. (there are 20 light points in the shop of which 5 light points are related to this machine.)

Calculate Machine Hour Rate.

P.T.O.
A factory has three production departments and two service departments. The overhead distribution summary shows the following:

<table>
<thead>
<tr>
<th>Departments</th>
<th>Amount (₹)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>3,00,000</td>
</tr>
<tr>
<td>B</td>
<td>3,50,000</td>
</tr>
<tr>
<td>C</td>
<td>2,00,000</td>
</tr>
<tr>
<td>X</td>
<td>80,000</td>
</tr>
<tr>
<td>Y</td>
<td>60,000</td>
</tr>
</tbody>
</table>

The service departmental expenses of X and Y are to be distributed on a percentage basis as follows:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Production departments</th>
<th>Service departments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A</td>
<td>B</td>
</tr>
<tr>
<td>SERVICE</td>
<td>30%</td>
<td>20%</td>
</tr>
<tr>
<td>DEPARTMENTS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y</td>
<td>40%</td>
<td>30%</td>
</tr>
</tbody>
</table>

Prepare a Secondary Overhead Distribution statement under:
(a) Repeated Distribution Method
(b) Simultaneous Equation Method
The following data is furnished by a company for the year 2018.

Stock of materials on 1-1-2018    ₹ 70,000
Stock of materials on 31-12-2018 ₹ 10,000
Purchase of materials            ₹ 1,00,000
Factory wages                    ₹ 2,00,000
Factory Expenses                 ₹ 36,000
Administrative Expenses          ₹ 44,000
Opening stock of finished goods on 1-1-2018    nil
Closing stock of finished goods on 31-12-2018 ₹ 40,000
Sales                              ₹ 5,00,000

Production during 2018 was 4000 units.

The company wants to quote for a contract for the supply of 1000 units during the year 2019. During 2019, the cost of materials increased by 15% and that of factory wages by 10%. Prepare a statement of cost for the year 2018 and a tender statement for 2019 showing the price to be quoted per unit, if the same percentage of profit is maintained as in the previous year. Assume the overhead charges per unit will be the same as in 2018.
11. ತಕ್ಕಾಗಿ ವಿವಿಧ ವೈಭವಗಳು ಸೇರಿಸಿದರೆ ಪ್ರತಿಪಾದವನ್ನು ನಿರ್ದೇಶಿಸಿ:

<table>
<thead>
<tr>
<th>ವಸ್ತು</th>
<th>ರಿಂದ</th>
</tr>
</thead>
<tbody>
<tr>
<td>ಗುಳ್ಳ ವಾದ್ಯಪಂಚಾಂಗ  ಕಾಮ  ಮತ್ತು ಪಾಲ  ಇತ್ಯಾದಿ</td>
<td>₹ 3,44,800</td>
</tr>
<tr>
<td>ಕೋಟ ವಾಯಾಕ್ಕರು  ಹುಲುಪಾಲ  ಹುಲುಪಾಲ ಕ್ರಮಾಂಕ  ಇತ್ಯಾದಿ</td>
<td>₹ 6,240</td>
</tr>
<tr>
<td>ವಾಯಾಕ್ಕರು ಹುಲುಲು ಹುಲುಲು ಹುಲುಲು ಹುಲುಲು ಹುಲುಲು</td>
<td>₹ 2,600</td>
</tr>
<tr>
<td>ಶಾಲಾ ಶಾಲಾ ಶಾಲಾ ಶಾಲಾ ಶಾಲಾ</td>
<td>₹ 2,600</td>
</tr>
<tr>
<td>ವಾಯಾಕ್ಕರು ಹುಲುಲು ಹುಲುಲು ಹುಲುಲು ಹುಲುಲು ಹುಲುಲು</td>
<td>₹ 2,600</td>
</tr>
<tr>
<td>ಕಟ್ಟುಗಳಿಂದ ಹುಲುಪ್ಪಿನ  ರತ್ಥ</td>
<td>₹ 17,500</td>
</tr>
<tr>
<td>ವಾಯಾಕ್ಕರು ಹುಲುಪಾಲ  ಹುಲುಪಾಲ  ಹುಲುಪಾಲ</td>
<td>₹ 11,400</td>
</tr>
<tr>
<td>ಕಟ್ಟುಗಳಿಂದ ಹುಲುಪ್ಪಿನ  ರತ್ಥ</td>
<td>₹ 20,750</td>
</tr>
<tr>
<td>ವಾಯಾಕ್ಕರು ಹುಲುಪಾಲ  ಹುಲುಪಾಲ  ಹುಲುಪಾಲ</td>
<td>₹ 8,250</td>
</tr>
</tbody>
</table>

Prepare a Reconciliation statement from the following data:

- Net Loss as per cost accounts: ₹ 3,44,800
- Works overhead under recovered in cost accounts: ₹ 6,240
- Depreciation overcharged in cost accounts: ₹ 2,600
- Administration overheads recorded in excess in cost accounts: ₹ 2,600
- Interest on Investments: ₹ 17,500
- Goodwill written off in financial books: ₹ 11,400
- Income Tax paid: ₹ 80,600
- Stores adjustment (credit) in financial books: ₹ 950
- Depreciation of stock charged in financial books: ₹ 13,500
- Selling overheads over recovered in cost accounts: ₹ 8,250
- Notional rent charged in cost accounts: ₹ 40,000
- Value of Closing stock in cost accounts: ₹ 20,750
- Value of Closing stock in financial accounts: ₹ 18,750
- Interest on loan charged in financial accounts: ₹ 11,000