



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.Com. DEGREE EXAMINATION – COMPUTER APPLICATIONS

FIFTH SEMESTER – NOVEMBER 2022

UCC 5503 – ELEMENTS OF COST ACCOUNTING

Date: 30-11-2022

Dept. No.

Max. : 100 Marks

Time: 09:00 AM - 12:00 NOON

PART – A

Answer all the questions

(10x2=20 Marks)

1. Calculate raw materials consumed
Raw materials purchased Rs. 80,000
Stock of material scrap Rs 1,000
Opening stock of raw materials Rs 12,000
Closing stock of raw materials Rs 21,000
2. Write the formula to calculate EBQ.
3. Define Cost.
4. What is abnormal gain?
5. Write a note of prime cost.
6. What is notional profit?
7. Ascertain the cost of Job N0.305
Prime cost Rs. 8,000
Factory overhead 10% of prime cost
Administration overhead 20% of works cost.
8. What is work-in-progress?
9. Expand FIFO and LIFO.
10. How do you calculate Labour turnover?

Part B

Answer ANY FOUR questions

(4x10=40 Marks)

11.A.) During a week a worker produced 300units working for 48hrs. The hourly rate is Rs.4. The estimated time to produce a unit is 10mins. Under incentive scheme 20% additional time is allowed. Calculate the gross earnings under Halsey and Rowan plans.

B.) Ragavendra Metal Company gives the following information:-

Number of employees on 1-4-1999 : 200

Number of employees on 31-3-2000: 240

Number of employees resigned : 20

Number of employees discharged : 5

Number of employees replaced : 18

Calculate labour turnover by applying three methods.

12. Two components X and Y are used as follows:
Normal usage: 4,500 units per week each
Minimum usage: 2,250 units per week each
Maximum usage: 6,750 units per week each
Reorder quantity
X--19,500 units
Y—21,000 units

Reorder period:

X--3 to 5 weeks

Y--2 to 4 weeks

Calculate for each of the components:

(a) Reorder level (b) Minimum level (c) Maximum level

13. Prepare a store ledger A/c by adopting the weighted average method of pricing.

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Sept	1	Opening Balance	50 Units at Rs. 3 per unit.
	4	Issued	2 units
	8	Purchased	48 units at Rs.4 per unit
	9	Issued	20 units
	15	Purchased	76 units at Rs.3 per unit
	22	Received back into stores	19 units out of 20 units issued on sept 9 th
	30	Issued to production	10 units

14. Work out the machine hour rate for the following machine :

Cost of machine	Rs.95,000
Installation charges	Rs.10,000
Scrap value after 10 years	Rs.5,000
Working hours per month	200 hours
Lighting	Rs.150 per month
Rent	Rs.200 per month
Insurance premium	Rs.500 per month
Repair charge	50% of depreciation
Other standing charges	Rs.1,000 per month
Power 10 units per hour at	Rs.10 per 100 units.

15. The following expenses were incurred on an unfinished contract during the accounting year 2010.

Materials – Rs. 90,000

Wages- Rs. 80,000

Other Expenses- Rs. 5,000

Rs. 2,00,000 was received from the contractee, being 80% of the work certified. Work done but not certified was Rs. 5,000. Determine the profit to be credited to profit and loss account in all the three alternatives given below:

(i) Contract Price Rs. 3,00,000

(ii) Contract Price Rs. 5,50,000

(iii) Contract Price Rs. 12,00,000

16. Difference between process costing and job costing.

17. Differentiate Financial accounting and Cost accounting.

Part-C

Answer ANY TWO questions

(2x20=40 Marks)

18. Prepare a statement showing cost and profit from the following details showing (a) prime cost (b) works cost (c) cost of production and (d) cost of sales and (e) profit

Direct wages	1,50,000	Direct material	5,00,000
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Power	2,500	Oil and water	2,500
Store keeper wages	5,000	Transfer to general reserve	5,000
Factory rent	25,000	Foreman salary	12,500
Office rent	12,500	Factor y lighting	7,500
Repair factory	17,500	Office lighting	2,500
Repair office	2,500	Depreciation-factory plant	2,500
Goodwill written off	2,500	Depreciation – office building	6,250
Consumable stores	12,500	Managers ssalary	25,000
Directors fees	6,250	Office stationery	2,500
Telephone rent	625	postage	1,250
Salesman salary	6,250	Travelling expense	2,500
Advertisement	6,250	Warehouse rent	2,500
Income tax	50,000	Dividend paid	10,000
sales	9,47,500		

19. The following information is extracted from the stores ledger:

Sept 1	Opening balance	500 units @ Rs.10	Issues of materials:
6	Purchases	100 units @ Rs.11	
20	Purchases	700 units @ Rs.12	Sept 9 - 500 units
27	purchases	400 units @ Rs.13	22- 500 units
Oct 13	purchases	1000 units @ Rs.14	30 -500 units
20	purchases	500 units @ Rs.15	Oct 15- 500 units
Nov 17	purchases	400 units @ Rs.16	22- 500 units
			Nov 11- 500 units

Issues are to be priced on the principle of 'FIFO'. Write the stores ledger account.

20. From the following particulars work out the earnings for the week of a worker under:

- (a) Straight piece rate;
- (b) Differential piece rate;
- (c) Halsey premium system;
- (d) Rowan system;

Number of working hours per week = 48hrs;

Wages per hour = Rs.3.75;

Normal time per piece = 20minutes;

Rate per piece = Rs.1.50;

Normal output per week = 120pieces;

Actual output = 150pieces;

Differential piece rate: 80% of piece rate when output is below standard and 120% when above standard.

21. In A Light Engg. Factory, the following particulars have been collected for the 3 months period ending 31-12-1984. You are required to prepare production overhead distribution overhead summary showing clearly the basis of apportionment where necessary.

Particulars	Production Dept.			Service Dept.	
	A	B	C	D	E
Direct wages(Rs.)	2,000	3,000	4,000	1,000	2,000
Direct material(Rs.)	1,000	2,000	2,000	1,500	1,500
Staff(Nos.)	100	150	150	50	50
Electricity(kwh)	4,000	3,000	2,000	1,000	1,000
Light Points(Nos.)	10	16	4	6	4
Asset Value(Rs.)	60,000	40,000	30,000	10,00	10,00
Area occupied(Sq.m)	150	250	50	50	50

The expenses for the period were:

Motive power Rs.550 ; lighting power Rs.100;Stores overheads Rs.400;Amenties to staff Rs.1500;depreciation Rs.15000;Repairs and maintenancers.3000;General overheads Rs.6000;rent &taxes Rs.275.Apportion the expenses of service departments E in proportion of 3:3:4 and those of service departments D in the ratio of 3:1:1 to the department A,B and C reptly

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