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M 9712

Reg. No.:	
Name:	

V Semester B.B.A. Degree (CCSS-Reg./Supple./Imp.) Examination, November 2015 BBA – Core Course 5B11 BBA : COST ACCOUNTING (2012 Admn. Onwards)

Time : 3 Hours

Max. Weightage: 30

(W. = 1)

### PART-A

This Part consists of **two** bunches of questions carrying **equal** weightage of **one**. **Each** bunch consists of **four** objective type questions. Answer **all** questions.

I. Choose the correct answer.

1) \_\_\_\_\_\_ system is suitable where output cannot be measured.

a) Time rate b) Piece rate

c) Differential piece rate d) None of these

2) \_\_\_\_\_\_ has no recoverable value.a) Wasteb) Spoilagec) Defectived) Scrap

Total variable cost is \_\_\_\_\_

a) Fixed b) Variable c) Constant d) Semi-variable

4) Prime cost plus factory overhead is \_\_\_\_\_\_
a) Total cost b) Works cost c) Normal cost d) Cost of sales

II. Fill in the blanks :

5) Manager's salary is an example of \_\_\_\_\_

6) Cost unit which remains unaffected by changes in output is \_\_\_\_\_

7) Allotment of the whole item of cost to cost centres is called cost \_\_\_\_\_

8) Under FIFO method materials \_\_\_\_\_ are issued first. (W. = 1)

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#### PART-B

Answer any eight questions in one or two sentences each. Each carries a weightage of one.

- 9) What do you mean by indirect materials ?
- 10) What is ABC analysis ?
- 11) What do you understand by labour turnover?
- 12) What is overtime ?
- 13) What is abnormal effectiveness ?
- 14) What do you mean by office overheads ?
- 15) What is unit costing?
- 16) What is job order costing ?
- 17) What is a cost centre ?
- 18) Define costing.

#### PART-C

Answer any six questions. Answer not to exceed one page. Each carries a wieghtage of two.

- 19) Explain the scope of cost accounting.
- 20) Explain the basic methods of wage payment.
- 21) What are the methods of overhead absorption ?
- 22) Explain Economic Batch Quantity.
- 23) Calculate EOQ and number of orders to be placed per year.

Materials consumed p.a. - 10,000 kg

Buying cost per order - ₹ 50

Cost of material per kg - ₹2

Storage cost - 8% of cost.

 $(W. = 8 \times 1 = 8)$ 

24) From the following details prepare Stores Ledger Account under FIFO method

Purchases	Issues	
1 – 1 – 2014 – 800 units @ ₹ 20/ut	9 – 1 – 2014 – 600 units	
8 – 1 – 2014 – 700 units @ ₹ 18/ut	10 – 1 – 2014 – 800 units	
17 – 1 – 2014 – 800 units @ ₹ 21/ut	Conference of the second s	

25) Y Ltd. has undertaken a contract on 1<sup>st</sup> January 2013. The details of the contract on 31<sup>st</sup> December 2013 is as follows. Prepare Contract A/c.

		₹			₹
Contract price	-	60,00,000	Plant at site	-	3,00,000
Materials	-	10,80,000	Materials at site	-	60,000
Wages	-	17,04,000	Work certified	-	30,00,000
Other expenses	-	69,000	Work uncertified		90,000
Cash received		22,50,000			

Plant at site is to be depreciated at 10%.

 26) Worker A finishes a job in 80 hours and worker B finishes the job in 120 hours. Standard time is 200 hours and standard rate per hour is ₹ 5. Calculate the wages of the workers under (a) Halsey plan and (b) Rowan plan. (W. = 6×2 = 12)

#### PART-D

Answer any two. Each question carries a weightage of four.

27) Discuss how a good system of cost accounting serves the management.

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28) A factory has 3 production departments A, B, C and two service departments P and Q. Departmental distribution of overheads shows the following :

	A	В	С	Р	Q
	₹	₹	₹	₹	₹
Overheads as per departmental distribution	6,50,000	6,00,000	5,00,000	1,20,000	1,00,000
	Α	В	С	Р	Q
Allocation of service dept.					
Expenses :	P 30%	40%	15%	the set of	15%
	Q 40%	30%	25%	5%	-

Show how the expenses of service departments are charged to production departments under simultaneous equation method.

29) The product of a company passes through 3 processes A, B and C. 20,000 units were issued to process A at a cost of ₹ 20,000. Details are given below :

*	Process	Process	Process	
208,20.00 ·	А	В	С	
Materials (₹)	12,000	8,000	4,000	
Labour (₹)	16,000	12,000	6,000	
Manufacturing expenses (₹)	2,000	2,000	3,000	
Normal loss on input	2%	5%	10%	
Scrap value (₹)	5/100 uts	5/100 uts	20/100 uts	
Output (uts)	19,500	18,800	16,000	

There is no work-in-progress in any process.

 $(W. = 2 \times 4 = 8)$