|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Reg.No : |  |  |  |  |  |  |  |  |  |  |  |

**D.K.M. COLLEGE FOR WOMEN (AUTONOMOUS), VELLORE – 1**

**SEMESTER EXAMINATIONS**

 **NOVEMBER – 2016 15CACO3A**

***ALLIED : COST ACCOUNTING***

**Time: 3 Hrs Max. Marks: 75**

**SECTION – A (10 X 2 =20)**

**Answer ALL the questions.**

1. What is ‘cost sheet’?
2. Write a note on EOQ.
3. Write a note on ‘Idle Time’.
4. What is meant by ‘over head’?
5. Define ‘cost’.
6. Calculate the Raw Material Consumed from the following details :

 Rs.

|  |  |
| --- | --- |
| Raw Materials purchased | 80,000 |
| Sale of Material scrap | 1,000 |
| Opening stock of Raw Materials | 12,000 |
| Closing stock of Raw Materials  | 21,000 |

1. Calculate the Re-order quantity from the following particulars:

|  |  |
| --- | --- |
| Annual usage | 20,000 units |
| Buying cost per order | Rs.10 |
| Cost per unit | Rs.100 |
| Cost of carrying inventory | 10% of cost |

1. Ascertain the Bonus under Rowan scheme:

|  |  |
| --- | --- |
| Standard time | 12 hours |
| Actual time | 8 hours |
| Time rate | Rs.1.50 per hour  |

1. The production department of a factory has furnished the following details.

|  |  |
| --- | --- |
| Direct wages | Rs.1,50,000 |
| Production overhead | Rs. 75,000 |
| Compute overhead recovery rate on the basis of direct labour  |

1. Find out the value of materials issued under FIFO.

|  |  |
| --- | --- |
| Opening Stock | 200 units @ Rs.10 per unit |
| Purchase | 400 units @ Rs.15 per unit |
| Issue | 300 units |

**SECTION – B (5 X 5 =25)**

**Answer any FIVE of the following questions.**

1. State the meaning and objectives of cost accounting?
2. Distinguish between financial accounting and cost accounting?
3. A Manufacturing concern requires a statement showing the result of its production operations for

 September, 2008 .Cost records give the following information.

|  |  |
| --- | --- |
|  |  Rs. |
| Purchase of Raw materials | 88,000 |
| Direct Wages | 70,000 |
| Indirect Wages | 2,500 |
| Works expenses | 37,000 |
| Administrative Expenses | 13,000 |
| Sale of factory Scrap | 2,000 |
| Selling and distribution expenses | 15,000 |
| Sales | 2,84,000 |

Prepare cost sheet.

1. From the following information, Calculate:
2. Maximum Stock Level.
3. Minimum Stock Level.
4. Reorder Level.
5. Average Stock Level.

Minimum consumption – 240 units per day.

Maximum consumption – 420 units per day.

Normal consumption – 300 units per day.

Reorder quantity – 3,600 units.

Reorder period – 10 – 15 days.

Normal reorder period – 12 days.

1. From the following particulars, calculate wages earned by workers X,Y and Z respectively under

 the Taylor’s system:

|  |  |
| --- | --- |
| Standard time allowed - | 10 units per hour |
| Normal wage rate - | Rs.10 per hour |

 Differential rates to be applied.

 90 % of piece rate when below standard

 125 % of piece rate when at or above the standard

The production on a day of 8 hours:

 X – 75 units; Y – 85 units; Z – 120 units.

1. Calculate Machine Hour Rate from the following :
2. Cost of machine Rs.19,200
3. Estimated scrap value Rs.1,200
4. Repair charges per month Rs.150
5. Standing charges allocation to machine per month Rs.50
6. Effective working life of machine 10000 hours.
7. Running time per month 166 hours.
8. Power used by machine = 5 units per hour at 19 paise per unit.
9. From the following particulars prepare the stores ledger by adopting First in First Out method.

|  |  |  |
| --- | --- | --- |
| 2003 - March 1 | Purchased 300 units at | Rs.2 per unit |
| 2 | Purchased 600 units at | Rs. 3 per unit |
| 5 | Issued 400 units |  |
| 8 | Issued 200 units |  |
| 10 | Purchased 600 units | Rs.5 per unit |
| 12 | Issued 400 units |  |

1. Calculate the earnings of a worker under Halsey plan and Rowan plan.

|  |  |
| --- | --- |
| Standard time allowed - | 36 hours |
| Actual time - | 30 hours |
| Rate per hour - | Rs.10 |

**SECTION – C (3 X 10 =30)**

**Answer ALL the questions.**

1. a) Prepare a cost sheet showing cost of production and profit from the following date:

|  |  |  |
| --- | --- | --- |
|  |  Opening Rs. |  Closing Rs. |
| Stock of raw materials | 75,000 | 78,750 |
| Work – in – progress | 24,600 | 27,300 |
| Stock of finished | 52,080 | 47,250 |
| Purchase for the year | 65,700 |  |
| Sales | 2,16,930 |  |
| Direct wages | 51,450 |  |
| Works expenses | 25,020 |  |
| Office expenses | 20,610 |  |
| Selling and distribution expenses | 12,630 |  |
| Scrap sold | 990 |  |

 (Or)

b) Two components A and B are used as follows:

|  |  |
| --- | --- |
| Reordering quantity A 1,200 Units B 1,000 Units  |  |
| Reordering period A 2 to 4 weeks B 3 to 6 weeks |  |
| Normal usage 300 units per week each |  |
| Minimum usage 150 units per week each |  |
| Maximum usage 450 units per week each |  |

 You are required to calculate the following for each of the components.

1. Reordering level b) Maximum level c) Minimum level d) Average stock level.
2. a) From the following information calculate the labour turnover rate :

 Number of workers at the beginning the period : 3800

 Number of workers at the end of the period : 4200

 During the year,40 workers left while 160 workers are discharged. 600 workers are recruited during the year; of these 150 workers are recruited to fill up vacancies and the rest are engaged on account of an expansion scheme.

 (Or)

1. Kumaresh Ltd., has three production departments ‘A’,’B’, and ‘C’ and two service departments ‘D’ and ‘E’.The following figures are extracted from the records of the company:

|  |  |
| --- | --- |
|  |  Rs. |
| Rent and rates | 5,000 |
| Indirect wages | 1,500 |
| Depreciation of machinery | 10,000 |
| General lighting | 600 |
| Power | 1,500 |
| Sundry expenses | 10,000 |

Following further details are available:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Total | A | B | C | D | E |
| Floor space in square feet | 10,000 | 2,000 | 2,500 | 3,000 | 2,000 | 500 |
| Light Points | 60 | 10 | 15 | 20 | 10 | 5 |
| Direct wages (Rs.) | 10,000 | 3,000 | 2,000 | 3,000 | 1,500 | 500 |
| H.P of machines | 150 | 60 | 30 | 50 | 10 | --- |
| Value of machinery (Rs) | 2,50,000 | 60,000 | 80,000 | 1,00,000 | 5,000 | 5,000 |

 Apportion the cost the various departments on the most equitable basis by preparing a primary

 Departmental distribution summary.

1. a) The following data relate to the manufacturing of a standard product during the month March 2006.

|  |  |
| --- | --- |
| Raw Materials consumed | Rs.20,000 |
| Direct wages | Rs.12,000 |
| Machine hours worked | 1,000 hours |
| Machine hour rate | Rs.2 per hour |
| Office overhead | 20% on work cost |
| Selling overhead | Re.0.40 per unit |
| Units produced | 20,000 units |
| Units sold at Rs. 3 each | 18,000 units |

Prepare a cost sheet to show:

 a) Prime cost b) Work cost c) Cost of production d) Cost of production goods sold

e) Cost of sales f) Profit.

 (Or)

b) Work out the machine hour rate for the following machine whose scrap value is ‘nil’.

1. Cost of machine Rs.3,60,000
2. Freight and installation Rs.40,000
3. Working life : 20 year
4. Working hours : 8,000 per year
5. Repair charges: 50% of depreciation.
6. Power : 10 units per hour @ 10 paise per unit
7. Lubricating oil @ Rs.2 per day of 8 hours.
8. Consumable stores @ Rs.10 per day of 8 hours
9. Wages of operator @ Rs.4 per day.

**\* \* \* \* \* \* \***