

**U.G. 4th Semester Examination - 2021****COMMERCE****[PROGRAMME]****Course Code : BCOM-G-CC-T-10****Course Title : Cost Accounting**

Full Marks : 30

Time : 1½ Hours

*The figures in the right-hand margin indicate marks.**Candidates are required to give their answers in their own words as far as practicable.*

1. Answer any **five** questions:  $2 \times 5 = 10$
- What is Cost Centre?
  - Define Cost Unit.
  - What is Conversion Cost?
  - What is sunk cost?
  - What is ABC Analysis?
  - What is Danger Stock Level?
  - What is Idle Time?
  - Mention two objectives of Time Keeping.
2. Answer any **two** questions:  $5 \times 2 = 10$
- The annual demand for an item is 3200 units.

The unit cost is Rs. 6 and the inventory carrying cost is 25% per annum. If the cost of an order is Rs. 150, determine:

- E.O.Q.,
  - Number of orders per year
  - Time between two consecutive orders.
- ii) Calculate price of the issues under FIFO method from the following information related to raw materials X :
- |          |  |
|----------|--|
| 01.01.21 | Balance: 100 units @ Re. 1.00 per unit (Base stock ) and 500 @ Rs. 6 per unit. |
| 03.01.21 | Receipt: 1000 units @ Rs. 5 per unit   |
| 04.01.21 | Issue: 800 units   |
| 10.01.21 | Receipt: 1000 units @ Rs. 7 per unit   |
| 11.01.21 | Issue: 900 units.  |
- A worker's wage for a guaranteed 48 hours week is Rs. 45 per hour. The estimated time to produce one unit is 20 minutes. Under incentive scheme, time allowed is increased by 10%. He produced 150 units, during a week. Calculate the total wages under Rowan bonus plan.

iv) The contract price of a contract on 1st January 2020 was Rs. 2,50,000. Following expenses were incurred on the contract:

Material consumed	Rs. 62,500
Materials in hand on 30.09.2020	Rs. 20000
Wages	Rs. 30000
Direct Expenses	Rs. 32000
Plant purchased	Rs. 40000

The contract was completed on 30th September 2020 and the contract price was duly received. Provide Depreciation on plant @ 10% and charge indirect expenses @ 20 % of wages.

Prepare Contract Account.

v) Mention any five objectives of Cost Accounting.

3. Answer any **one** question: 10×1=10

i) State the points of distinction between Cost Accounting and Management Accounting.

ii) Following data relate to a manufacturing of product for the month of January 2021 :

Materials used	Rs. 1,00,000
Direct Wages	Rs. 28,000
Effective Machine Hours	4,000
Machine Hour Rate	Rs. 8

Office overhead 10% of works cost

Selling & Distribution expenses 75 paise per unit

Units manufactured	8,000
Units sold	7,200
Selling price per unit	Rs. 25

Prepare a Cost sheet showing (a) cost per unit and (b) a statement of profit for the period.

iii) A company incurs the following expenses to produce 1,000 units of an article :

Direct Materials	Rs. 30,000
Direct Labour	Rs. 15,000
Power (20% fixed)	Rs. 10,000
Repairs and Maintenance (15% fixed)	Rs. 8,000
Depreciation (40 % variable)	Rs. 6,000
Administrative Expenses (100% fixed)	Rs. 12,000

Prepare a flexible Budget showing individual expenses of production levels at 1,500 units and 2,000 units.