

- 5 Issued 25 Kg. (stock verification reveals a shortage of 1 Kg.
 10 Goods returned to stores 10 Kg.
 (previously issued @ Rs.9)
 15 Issued 40 Kg.
 25 Purchases 25 Kg. @ Rs.12
 30 Issued 35 Kg. (K2)

23. X Ltd. has three production departments and two service departments. Following information relates to the month of January 2023.

| | |
|-------------------------|-----------|
| Rent | Rs.10,000 |
| Depreciation of machine | Rs.20,000 |
| Motive Power | Rs.3,000 |
| Indirect wages | Rs.23,000 |
| Lighting | Rs.1,200 |

Additional information.

| Particulars | A | B | C | D | E |
|------------------------|--------|--------|----------|-------|-------|
| Area Occupied (Sq.Ft.) | 2,000 | 2,500 | 3,000 | 2,000 | 500 |
| Light Points | 10 | 15 | 20 | 10 | 5 |
| Direct Wages (Rs.) | 3,000 | 2,000 | 3,000 | 6,500 | 500 |
| Horse Power | 60 | 30 | 50 | 10 | - |
| Value Of Machine (Rs.) | 60,000 | 80,000 | 1,00,000 | 5,000 | 5,000 |

- Prepare overhead distribution statement. (K3)
24. Distinguish between job costing and contract costing.(K4)
25. Prepare a reconciliation statement from the following figures, so as to ascertain the profit as per the financial accounts.
- | | |
|---|------------|
| | Rs. |
| Losses as per cost accounts | 1,000 |
| Closing stock under valuation in cost books | 500 |
| Goodwill written off | 2,000 |
| Profit on sale of machinery | 13,000 |
| Interest on bank loan | 1,215 |
| Works overhead over recovered in costing | 2,215 (K5) |

SARASWATHI NARAYANAN COLLEGE
(Autonomous Institution Affiliated to Madurai Kamaraj University)
(Reaccredited with Grade 'B' by NAAC)
Madurai – 625 022.

B.Com./B.Com(CA) –Summative Examinations
Code: LUCOCT42/LUCACT42 Semester: IV
COST ACCOUNTING
Duration: 3 Hrs. Max: 75 Marks

SECTION – A **5 x 1 = 5**

Answer ALL questions. Choose the correct answer.

- Works cost is otherwise known as----- (K2)
 a) Prime Cost b) Direct Cost
 c) Factory Cost d) Constant
- The firm using base stock method of pricing materials issue may adopt----- (K2)
 a) FIFO method b) LIFO method
 c) Either a (or) b d) Average stock
- Which of the following is a service department? (K2)
 a) Refining department b) Receiving department
 c) Finishing department d) Producing department
- In a job cost system, costs are accumulated (K2)
 a) By specific job b) By department or process
 c) On a monthly basis d) On process
- Reconciliation is usually done between (K2)
 a) Gross profit and Net profit b) Previous year's profit
 c) Profit of two unit
 d) Costing profit and financial profit

II. Fill in the blanks **5 x 1 = 5**

- costs are partly fixed and partly variable in relation to output. (K1)
- The re-order level is just above the -----level. (K1)
- Lighting expenses in a factory is included in -----(K1)
- The stage where joint products are separated from each other is known as----- (K1)
- Under valuation of closing stock in cost accounts----- (K1)

SECTION – B**5 x 2 = 10****Answer ALL the questions.**

11. Write a short note on “Cost centre”. (K2)
12. What is E.O.Q? (K2)
13. List any two steps involved in overhead accounting. (K3)
14. What is scrap? (K4)
15. Interpret any two importance of reconciliation. (K5)

SECTION – C**5 x 5 = 25****Answer All questions either (a) or (b)**

16. a) Describe specimen format of a cost sheet.(K1)
(Or)
b) Prepare a cost sheet from the following data.
Raw material used Rs. 60,000
Wages Rs. 15,000
Works expenses are charged at 100% of prime cost
Office overhead is charged at 25% on works cost.
Selling overhead is 10% of cost of production. (K1)
17. a) Calculate E.O.Q. (K2)
Annual consumption 3,000 units
Cost of material per unit Rs.10
Cost of placing an order Rs.30
Annual carrying cost per unit Rs.1
(Or)
b) Calculate Labour Turnover under separation method:
No. of workers on the payroll:
At the beginning of the month 500
At the end of the month 600. (K2)
18. a) Explain the various bases of apportionment of overhead. (K2)
(Or)
b) How will you apportioned the expenses to various departments. (K2)

| Items | Total (Rs.) | A | B | C |
|------------------|-------------|-------|-----|-----|
| Rents And Rates | 5,000 | - | - | - |
| General Lighting | 2,000 | - | - | - |
| Floor Area | - | 1,000 | 500 | 500 |

| | | | | |
|----------------|---|---|---|---|
| (Sq.Ft.) | - | 3 | 2 | 5 |
| Lighting Point | | | | |

19. a) Prepare the process accounts from the following details relating to March 2022.
Materials Rs.25,000
Labour Rs.40,000
Direct expenses Rs.15,000
Overheads Rs.10,000 (K3)
(Or)
b) Write various types of contract cost. (K3)
20. a) Examine the treatment of differences in reconciliation.(K4)
(Or)
b) Prepare a cost reconciliation statement from the following:
Profit as per cost books Rs.10,000
Value of closing stock as per financial books Rs.2,000
Value of closing stock as per cost books Rs.18,000
Factory overheads over-charged in financial books Rs.2,000
Factory overheads over-recovered in cost books Rs.3,000
Income tax paid Rs.5,000
(K4)

SECTION- D**3 x 10 = 30****Answer any THREE questions.**

21. Prepare a cost sheet from the following data to find out profit and cost per unit.
Raw materials consumed Rs.1,60,000
Direct wages Rs.80,000
Factory overheads Rs.16,000
Office overhead 10% of factory cost
Selling overheads Rs.12,000
Unit produced Rs.4,000
Units sold Rs.3,600
Selling price Rs.100 per unit (K1)
22. From the following Summarise stores ledger account under LIFO method.
2023 April 1 Opening Balance 50 Kg @ Rs.10
2 Issued 30 Kg.
4 Purchases 60 Kg. @ Rs.11