

Vivekanand Mahavidyalay (RAIPUR (C.G.))

Class-B.com - II nd year

Subject - Cost Accounting

MM.75

## INTERNAL ASSESSMENT 2019-20

(Attempt 1 question from each unit. Each unit carries equal Marks)

### Unit -1

What do you understand by cost accounts? What is its utility to a producer? Describe the benefits obtained from cost accounting?

OR

From the following particular prepare Store Ledger of Y Materials for the month of August Using FIFO method:

Date	<u>Receipt</u>		Date	<u>Issues</u>
	Quantity	Rate		Quantity
August 1	200	2.5	August 8	100
August 10	100	3.0	August 22	200
August 15	300	2.0	August 27	240

Wastage of materials 10% or 60 kg have been estimated

### Unit -2

Discuss the principle methods of wage payments and explain them

OR

Calculate Machine Hour Rate for recovery of overhead for a machine from the following data. There is a group of 4 similar machines in the department. Original cost of 4 Machine Rs 76800; Depreciation @10% per annum on straight line method. Maintenance cost average Rs 8 per day of 8 hours for the group machines. Power 25 paise per running hour (per machine) supervision for machine group Rs 640 per month. Allocation for building depreciation for 4 machines on a floor area basis Rs 80 per month. Share of manufacturing overheads is Rs 240 per month for the group. Normal working days in the year 300; normal running: One shift of 8 hours each machine remained idle for 20% of its normal running hours

### Unit -3

From the following particulars find out (1) Cost of raw materials consumed (2) Prime cost (3) Factory cost and (4) Profits on sales

Opening stock of raw materials	40000
Purchase of Raw materials	80000
Carriage Inwards	2500
Opening stock of finished goods	8000
Closing Stock of finished goods	20000
Closing stock of Raw materials	10800
Depreciation of plant	4800
Steam and Power	2400
Factory Rent	6000
Productive Wages	70000
Non Productive wages	2000
Office expense	12000
Selling Expenses	22000
Sales	320000

**OR**

A contractor took up a contract on 1<sup>st</sup> April ~~2018~~ The following were the expenses incurred on the contract:

Materials at site	50000
Plant	11000
Salaries	2000
Wages	6000
Other Expenses	2000

Cash received Rs 64000 was 80% of work certified. As on 31-3-~~2018~~ the cost of uncertified work was Rs 1000, the cost of plant and materials destroyed by fire were Rs 1000 and Rs 10000 respectively and the wages unpaid were 3000. Plant is to be written off @10%. 1/3 of profit received is to be reserved for contingencies. Prepare contract A/C and show how work -in- progress would appear in Balance Sheet

**Unit -4**

What is operating costing? What are its objects? State the undertaking where it is to be used

**OR**

On the basis the following information prepare Process Accounts and statements of profits

particular	Process I	Process II	Process III
Raw materials used	1000Ton	-----	-----
Cost Per Ton	₹ 200	-----	-----
Manufacturing Wages	₹ 87500	₹ 34500	₹ 10710
Weight Lost	5%	10%	20%
Scrap (Sales Price Rs 50 per Ton)	50 Ton	30 Ton	51 Ton
Sale price of Output per Ton	₹ 350	₹ 500	₹ 800

Management expenses were Rs 17500 and selling expenses Rs 10000. Two Third of the output of process | and One Half of process || are transferred to next process and the balance are sold .The entire output of process ||| is sold.

**Unit -5**

What do you understand by Cost Reconciliation statement? Discuss the causes of difference between costing profit and financial profit.

**OR**

Modern Furniture Mart places before you the following results:

Year	Sales RS	Profit Rs
2017	20000	1000
2018	18000	400

Find out the following: (1) P/V Ratio (2) Fixed cost (3) Variable cost for the two years (4) Sales at a profit of Rs 1600 (5) Break Even Point (6) Margin of safety at a profit of 1600 (7) Profit when sales is Rs 25000