D 140752 **(Pages : 4)** **Name..............................**

Reg. No..............................

FOURTH SEMESTER B.Com. (CBCSS-UG) DEGREE EXAMINATION APRIL 2026

BCM 4B 05—COST ACCOUNTING

(2019 Syllabus)

Time : Two Hours and a Half Maximum : 80 Marks

Answer should be written in **English** *only.*

Part A

Answer **all** *questions.*
Each question carries 2 marks.
(Maximum : 25 Marks)

1. What is Costing Accounting ?
2. What is the Labour Turnover Ratio ?
3. Define Budget.
4. What is a Cost Unit ?
5. Difference between Fixed Budget and Flexible Budget.
6. What is a Performance Budget ?
7. Define Operating Costing.
8. What is a Material Usage Variance ?
9. What is Abnormal Gain ?
10. Mention any two merits of the Rowan Plan.
11. What is VED Analysis ?
12. What is the Escalation Clause in Contract costing ?
13. Difference between Cost Centre and Profit Centre.
14. Find out EOQ from the following :—

Annual usage	...	400 units
Buying cost per order	...	Rs. 20
Price per unit	...	Rs. 50
Storage and carrying cost as a percentage of annual inventory	...	10 %.

15. What is work on cost ?

(25 marks)

Turn over

Part B

Answer **all** *questions.*
Each question carries 5 marks.
(Maximum : 35 Marks)

16. Explain the different types of Budgetary.
17. Define Standard Costing ? Explain its uses.
18. What is ABC Analysis ? What are its advantages ?
19. Difference between Financial Accounting and Cost Accounting.
20. From the following details, compute the Machine Hour Rate :

Cost of machine	...	20,000
Freight and installation	...	10,000
Estimated working life	...	10,000 hours
Running time per month	...	180 hours
Average reparis and maintenance charges per month	...	150
Power used by machine 5 units per hour at 10 paise per unit		
Scrap value	...	Rs. 2,000

21. The standard output of a product has been fixed at 6 units in a day of 8 hours, for which wages are Rs. 12. Find total wages as per piece rate and Halsey plan when the output is 5 units and 8 units.
22. From the following particulars, write up the priced stores ledger under the LIFO method of pricing material issues :

2022		
April	1	Opening stock 500 units at Rs. 20
	3	Issued 200 units
	5	Purchased 150 units at Rs. 22
	8	Issued 100 units
	11	Purchased 200 units at Rs. 25
	18	Issued 300 units
	18	Returned to store 10 units (issued on 8th March)
	27	Issued 100 units
	28	Issued 50 units

23. From the information, prepare Process 1 A/c.

Materials issued 1000 units at	...	Rs. 3 per unit
Labour Cost	...	Rs. 500
Additional material cost	...	Rs. 2,000
Production Overhead	...	Rs. 200

The normal process loss has been estimated at Rs. 10 % of the input, which can be sold at Rs. 2 per unit. Actual production realised 900 units.

(35 marks)

Part C

Answer any **two** *questions.*
Each question carries 10 *marks.*

24. Describe the different methods of Costing.

25. Prepare a cost sheet from the following particulars and show by what percentage the selling price should be increased to double the net profit :

		Rs.
Opening stock of finished goods	...	9,750
Closing stock of raw material	...	11,000
Purchases of raw materials	...	32,250
Direct Wages	...	18,500
Factory overhead	...	3,750
Office overhead	...	1,900
Selling and Distribution overhead	...	2,750
Sales	...	90,000
Sale of scrap	...	350
Carriage on materials purchased	...	750

26. A manufacturing concern has three production departments and two service departments. The departmental expenses were as follows :

Production Departments		Rs.	Service Departments		Rs.
X	...	16,000	P	...	4,000
Y	...	13,000	Q	...	6,000
Z	...	14,000			

The service department expenses are charged out on a percentage basis as follows :

		X	Y	Z	P	Q
Expenses of P	...	20 %	25 %	35 %	—	20 %
Expenses of Q	...	25 %	25 %	40 %	10 %	—

Prepare a statement showing the apportionment of service department expenses to production department by using the Repeated Distribution Method.

27. ABC Co. Ltd. wishes to arrange overdraft facilities with its bankers during the period April to June 2023. Prepare a cash budget from the following data :

Month		Sales	Purchases	Wages
February	...	1,80,000	1,24,000	12,500
March	...	1,95,000	1,44,000	13,000
April	...	1,10,000	2,45,000	11,000
May	...	1,75,000	2,64,000	12,000
June	...	1,26,000	2,48,000	14,000

(i) 50 % of credit sales are realized in the month following the sales, and the remaining 50 % in the second month following.

(ii) Creditors are paid in the month following the month of purchase.

(iii) Wages are paid on the first of next month.

(iv) Cash at bank on 1-4-2023, estimated Rs. 25,000.

(2 × 10 = 20 marks)