of work certified. Materials of Rs. 2500 were damaged. Depreciation on plant charged at the rate of 10% per annum. Value of uncertified work was Rs. 1000 and materials at site valued at Rs. 2300. Prepare a contract Account for Mr. Kalita.

(iv) Distinguish between Integrated and non-integrated accounting.

---

63 (FY) SEM–3/MAJ/COMMAJ2024(A)

2024

COMMERCE

Paper : COMMAJ2024(A)

(Cost Accounting)

Full Marks : 70

Pass Marks : 28

Time : Three hours

The figures in the margin indicate full marks for the questions.

1. Choose the correct answer : 1×6=6

(i) The basic objective of Cost Accounting is

(a) recording of cost

(b) cost control

(c) reporting of cost

(d) maximisation of profit

(ii) Total variable cost increases due to

(a) Increase in Profit

(b) Increase in Sales

(c) Increase in volume of production

(d) All of the above.

(iii) Which method of valuing materials is suitable in the time of rising prices ?

(a) LIFO

(b) HIFO

(c) FIFO

(d) FILO

(iv) Wage sheet is prepared by

(a) Payroll department

(b) Personnel department

(c) Time Keeping department

(d) Costing department.

(v) In which of the following industries, Process costing cannot be applied ?

(a) Paper Mills

(b) Milk Dairy

(c) Iron and Steel industry

(d) Transport industries.

(vi) For reconciliation of cost and Financial accounts, which of the following is prepared ?

(a) Memorandum Reconciliation Account

(b) Profit and loss Account

(c) Balance sheet

(d) All of the above.

2. Answer the following questions : ***(any five)*** 2×5=10

(i) Write down the meaning of Cost Accounting.

(ii) What is Cost Centre ?

(iii) Give *two* examples of normal material loss.

(iv) What do you mean by Idle Time ?

(v) What is labour Turnover ?

(vi) Write down *any two* objectives of Job Costing.

(vii) Mention the three steps in the Process of Reconciliation of Profits shown by Cost Accounting and Financial Accounting.

3. Answer the following questions : ***(any six)*** 5×6=30

(i) Bring out *any five* differences between Cost Accounting and Financial Accounting.

(ii) Prepare a cost sheet from the following information:

Direct Materials............ Rs. 2,30,000

Factory Expenses .... Rs. 1,40,000

Office Expenses.............. Rs. 75,000

Total Sales .... Rs. 4,94,000

Prime Cost .... Rs. 3,50,000

There is no opening stock. 20% of the value of output is in stock at the end.

(iii) Write down *any five* advantages of Perpetual Inventory system.

(iv) Write down the functions of purchasing department.

(v) Write down the benefits of Time and Motion study.

(vi) State the situation where Time Rate wage system is suitable.

(vii) Calculate the wages to be earned by a worker using straight piece rate system of wage payment where,

(a) Normal rate per hour Rs. 5.00

(b) Standard time per unit : 12 minutes

(c) Hours in a week : 40 hours

(d) Output of the worker : 166 units.

(viii) Write down the basis of apportionment of the following overheads

(a) Indirect wages

(b) Fringe benefits

(c) Goods delivery van expenses

(d) Audit fees

(e) Fuel expenses.

(ix) ABC Ltd. provides the following details in respect of material 'C'

Supply period : 5 to 15 days

Average consumption per day : 15 units.

Maximum consumption per day : 20 units

Annual consumption : 5000 units

Ordering cost per order : Rs. 20

Purchase Price per unit : Rs. 50

Storage costs are 10% of unit value

Compute :

(a) Re-order level

(b) Minimum level

(c) Maximum level

(d) Re-order quantity

4. Answer the following question: ***(any two)*** 12×2=24

(i) From the following particulars find out the value of closing inventory as on 31-3-2024 by preparing stores ledger.

Purchases :

03/03/2024: 400 *kgs* @ Rs. 2.50 per *kg*

07/03/2024: 800 *kgs* @ Rs. 3.00 per *kg*

17/03/2024: 500 *kgs* @ Rs. 3.50 per *kg*

Issues :

05/03/2024 : 600 *kgs*

09/03/2024 : 500 *kgs*

25/03/2024 : 600 *kgs*

Opening stock on 01/03/2024 was 500 *kgs*. Valued at Rs. 2.00 per *kg*. The stock verification on 27/03/2024 revealed that there was a shortage of 10 *kgs*. Apply FIFO method of inventory valuation.

(ii) Explain the causes of labour turnover.

(iii) On 1st April, 2023, Bapan Kalita, a contractor commenced construction of a College Building. The contract price was Rs. 3,00,000. The following expenditure had been incurred till 31st March, 2024 in connection with the contract :

Materials .... Rs. 51,000

Wages .... Rs. 81,000

Plant .... Rs. 15,000

Sundry expenses .... Rs. 5,000

Cash received on account by 31-3-2024 amounted to Rs. 1,28,000 being 80%