SHRI S. H. KELKAR COLLEGE OF ARTS, COMMERCE AND SCIENCE, DEVGAD.
(SINDHUDURGA)
SEMESTER IV- External Examination April -2023

COURSE: COST ACCOUNTING — CLASS: S.Y.B.B.I.
TIME : 2:30 hr — COURSE CODE-UBIFSIV. — MAX. MARKS: 75

Q1. A. Choose the correct answer.(Any8) 8

1. Absorption costing is also known as ________
   (Historical Costing , Real Costing , Marginal Costing, Standard Costing )
2. As units manufactured increases , total variable cost will _____
   (Increases, profitability ; marginal)
3. The aggregate of _______ costs is termed as overheads
   (Direct, Total , Indirect ,.Cash )
4. The abbreviation " BEP stands for _______
   (Bombay Electricity Provider , Budgeted Expense Product . Break Even Point )
5. _________ facilities co- ordination between account office and cost office.
   (reconciliation , Depreciation , Financial)
6. Preliminary expenses are written off in _____ account.
   (Financial, Reconciliation Statement , Profit & Loss )
7. Which of the following items is not included in financial books ?
   (Interest on capital, Notional Rent, Loss on sale of Foxed assets, Donations )
8. _______ expenses are not recorded in Cost Accounts .
   (Office, Financial , Direct , Establishment)
9. Material Cost Variance = Material Price Variance + ______
   (Material Volume Variance, Material Yield Variance, Material Mix Variance)
10. _______ costing is a technique of controlling by bringing out relationship between profit and volume .
   (Increases, profitability ; marginal)

Q1.B. State whether the following statements are true or false. (Any7) 7

1. Dividend paid on share capital is not found in cost accounts.
2. Variable cost per unit varies with the increase in the volume of output.
3. Some expenses are semi-variable in nature.
4. Debit and credit are basic concepts used in Cost Accounting.
5. The Breakeven chart is also called as cost volume profit Graph.
6. Cost sheet and profit and loss account are same.
7. Freight on raw materials purchased is an indirect cost.
8. Standard costing is applicable to manufacturing of a product or providing a service.
9. Negative standard is not a type of standard.
10. All costs are controllable.

Q2. A. Mr. Nitin provides the following data relating to the manufacturing of one standard product during the month of April 2005.

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| Particulars | Amount (Rs) |
|---|---|
| Opening stock of row material | 30,000 |
| Row material purchased | 80,000 |
| Carriage inward | 15,000 |
| Closing stock of row material | 20,000 |
| Direct labor charges | 80,000 |
| Machine hour worked | 1,000 |
| Machine hour rate. | Rs.20 |
| Administrative overheads | 10% on work cost |
| Selling overheads | Rs. 0.49 per unit |
| Unit produced | 50,000 unit |
| Unit sold | 40,000 units @ Rs. 7.00 per unit |

You are required to prepare a cost sheet from the above showing:

a) The cost Per Unit. b) profit per unit sold and profit for the period.

OR

Q2.P. From the following figures prepare a reconciliation statement of M/s NM Ltd., for the year ended 31st March, 2005.

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| Particulars | Rs. |
|---|---|
| Net profit as per costing records | 1,82,600 |
| Value of Opening Stock: | |
| Cost Accounts | 46,000 |
| Financial Accounts | 51,000 |
| Value of Closing Stock: | |
| Cost Accounts | 64,930 |
| Financial Accounts | 49,580 |
| Depreciation charged in Financial records | 1,34,000 |
| Depreciation recovered in Costing | 1,29,500 |
| Administrative overhead under recovered in Cost Accounts | 6,280 |
| Factory Overhead over recovered in Cost Accounts | 3,400 |
| Interest received credited in Financial Accounts | 11,200 |
| Obsolescence loss charged in Financial records | 4,850 |
| Income-Tax provided in Financial Accounts | 45,500 |
| Bank Interest & transfer fees credited in Financial Accounts | 2,250 |
| Stores Adjustment (credit) in financial records | 1,870 |
| Interest charged in financial accounts but not in cost accounts | 10,540 |
| Preliminary Expenses written off | 12,500 |
| Bad debts written off in Financial Accounts | 5,500 |

Q3. A. From the following data for May 2008 of a factory. calculate material variance. 15



| Material | Standard | | Actual | |
|---|---|---|---|---|
| | Kgs | Rate | Kgs | Rate |
| X<br>Y<br>Z | 8000<br>3000<br>2000 | 1.05<br>2.15<br>3.30 | 7,500<br>3,300<br>2,400 | 1.20<br>2.30<br>3.50 |

OR

Q3. P. Following data pertains to Warwick Ltd. Calculate material Variance. 15

| Material | Standard Quantity | Standard Rate | Actual Quantity | Actual Rate |
|---|---|---|---|---|
| P<br>Q | 40<br>60 | 50<br>40 | 50<br>60 | 45<br>55 |

Q4. A. The Sales turnover and profit during two periods are as under: 15

| | | |
|---|---|---|
| Period I | Sales Rs. 80,000 | Profit Rs. 10,000 |
| Period II | Sales Rs. 90,000 | Profit Rs. 14,000 |

Calculate the following:

(I) P-V ratio (Ii) Fixed cost (iii) Break-even point (in Rs.)

(iv) Margin of safety in both periods

(v)Profit when sales are Rs. 1,00,000 and Rs. 20,000 respectively.

OR

Q4. P. Given: 15

| | |
|---|---|
| Total number of units manufactured and sold<br>Variable cost per unit:<br>Total fixed costs:<br>Selling price per unit | 800<br>Rs.20<br>Rs. 1,000<br>Rs.120 |

1. Calculate the P/V ratio, the margin of safety and the break-even point (in units and in value terms).
2. What is the current profit? How much should the company sell to earn a target profit of Rs. 1,00,000?

Q5. A. Explain the type of cost 8

Q5. B. Write the difference between financial accounting and cost account. 7

OR.

Q5.P. Write the short notes (Any3) 15

1. Marginal costing
2. Advantages of cost accounting
3. Cost centre
4. Direct cost
5. Administration overheads