

2019

COST AND MANAGEMENT ACCOUNTING-I — GENERAL

Paper : CC 2.1 Cg

Full Marks : 80

*Candidates are required to give their answers in their own words
as far as practicable.*

প্রাপ্তলিখিত সংখ্যাগুলি পূর্ণমান নির্দেশক।

বিভাগ - ক

নিম্নলিখিত প্রশ্নগুলির উত্তর দাও।

- ১। পরিব্যয় বলতে কী বোঝো? পরিব্যয় নির্ণয় কী? পরিব্যয় নির্ণয় ও পরিব্যয় হিসাব ব্যবস্থার মধ্যে যে-কোনো দুটি পার্থক্য উল্লেখ করো। ১+২+২

অথবা,

পরিব্যয় হিসাব ব্যবস্থার সুবিধাগুলি উল্লেখ করো। ৫

- ২। নিম্নলিখিত তথ্য থেকে তোমাকে নির্ণয় করতে হবে :

- (ক) মূল ব্যয়
(খ) কারখানার ব্যয়
(গ) উৎপাদন ব্যয়
(ঘ) বিক্রীত পণ্যের ব্যয়
(ঙ) একক প্রতি মুনাফ।

	₹
Direct Materials	15,000
Direct Wages	13,000
Chargeable Expenses	2,000

Works on Cost at 30% of Direct Wages; Office Overhead at 20% of Works Cost, Profit – 20% of Selling Price. Units Produced and Sold – 25,000. ৫

- ৩। (ক) নিম্নলিখিত শিল্পগুলির ক্ষেত্রে উপযুক্ত পরিব্যয় ব্যবস্থা কী হওয়া উচিত?

- (অ) তেল শোধনাগার
(আ) কয়লা খনি
(ই) রেল পরিবহণ।

Please Turn Over

[English Version]

The figures in the margin indicate full marks.

Group - A

Answer the following questions.

1. What do you mean by cost? What is costing? Mention any two differences between Costing and Cost Accounting. 1+2+2

Or,

State the advantages of Cost Accounting System. 5

2. From the following figures you are required to calculate :
- (a) Prime Cost
 - (b) Works Cost
 - (c) Cost of production
 - (d) Cost of Sales
 - (e) Profit per unit.

	(₹)
Direct Materials	15,000
Direct Wages	13,000
Chargeable Expenses	2,000

Works on cost at 30% of Direct Wages; Office overhead at 20% of works cost, Profit – 20% of selling price. Units Produced and Sold – 25,000. 5

3. (a) What should be the appropriate costing method for the following industries?
- (i) Oil refinery
 - (ii) Coal mine
 - (iii) Rail transport.
- (b) Name the appropriate cost unit suitable for the following industries :
- (i) Hospital
 - (ii) Advertising agency.

(7)

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4. From the following information calculate :
- (a) Economic Ordering Quantity (E.O.Q.)
 - (b) Number of orders per annum
 - (c) Time gap between two consecutive orders :

Consumption per month	- 100 units	
Cost per unit	- ₹ 40	
Cost of processing an order	- ₹ 600	
Cost of carrying inventory	- 20% p.a.	3+1+1

Or,

What do you mean by Perpetual Inventory System? Mention any two differences between Perpetual Inventory System and Continuous Stock Taking. 2+3

Group - B

Answer the following questions.

5. A worker takes 80 hours to do a job for which standard time allowed is 100 hours. His daily wage rate is ₹ 10 per hour. Calculate the works cost of the job under the following methods of payment of wages:
- (a) Piece Rate
 - (b) Halsey Plan and
 - (c) Rowan Plan.

Additional information :

- (i) Material cost – ₹ 1,800
- (ii) Factory Overhead – 50% of wages. 10

Or,

- (a) What do you mean by overtime wages? How will you treat overtime wages in cost accounting?
- (b) In a factory two workers Ashok and Kishor produce 30 units and 50 units respectively in a day of 8 hours. Standard production per hour is 4 units and normal rate of wage is ₹ 2 per unit.

But a worker is paid at 80% of normal piece rate if actual production is below the standard and at 120% of normal piece rate if actual production is above the standard.

Calculate the wages of the two workers based on above differential piece rate system.

(1+3)+(3+3)

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6. The following details have been available from the Financial Account and Cost Account of an industrial enterprise. If profit disclosed in Financial Account is ₹ 2,50,000, prepare a Reconciliation statement and find out the profit as per Cost Account.

	Cost Accounts (₹)	Financial Accounts (₹)
(a) Opening Stock :		
Materials	10,000	13,500
Finished Goods	35,000	30,000
(b) Closing Stock :		
Materials	45,000	50,000
Finished Goods	60,000	58,000
(c) Interest charged in Cost Account but not actually paid and not debited in Financial Profit and Loss A/c - ₹ 16,000.		
(d) Preliminary expenses written off in Financial Accounts - ₹ 1,800.		
(e) Goodwill written off in Financial Accounts - ₹ 3,000.		
(f) Dividend received - ₹ 4,000.		
(g) Overhead paid ₹ 89,000 but recovered ₹ 85,000.		10

Or,

The following transactions took place for the month of March, 2019 of XYZ Co. Ltd. You are required to enter the transactions in Cost books (Under cost control accounting system) :

	Overhead Incurred (₹)	Overhead Absorbed (₹)
(a) Material Purchased		
Direct Materials		40,000
Indirect Materials		5,000
(b) Wages Paid		
Direct Wages		40,000
Indirect Wages		2,000
(c)		
Factory overhead	50,000	60,000
Administration overhead	25,000	20,000

(9)

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7. (a) From the following particulars prepare a stores Ledger Account of P. Roy Traders for the month of December, 2018 under FIFO basis :

2018

December 1 Opening Stock 300 units @ ₹ 10 per unit

December 15 Purchased 500 units @ ₹ 12 per unit

December 16 Issued 200 units

December 25 Purchased 600 units @ ₹ 15 per unit

December 31 Issued 1,000 units

- (b) A truck travelled following distances during the month of April, 2019 :

Place of Destination	Distance (k.m.)	Weight (tonne)
From Station A to Station B	80	10
From Station B to Station C	120	8
From Station C to Station A	200	5

Calculate Absolute tonne-km. for the month on the basis of above information.

5+5

Group - C

Answer the following questions.

8. A factory has three Production Departments P₁, P₂ and P₃ and two service departments S₁ and S₂. From the following information calculate Machine Hour Rate.

Expenses :	(₹)		(₹)	
Rent and Rates	40,000	Electricity	4,000	
Indirect Wages	12,000	Power	6,000	
Depreciation	80,000	Canteen Expenses	10,000	

Additional Information :

	P ₁	P ₂	P ₃	S ₁	S ₂
Floor Space (sq. m.)	3,000	3,750	4,500	3,000	750
Light Points (Nos.)	10	15	20	10	5
Direct Wages (₹)	12,000	8,000	12,000	6,000	2,000
Horse Power of Machines (kWh.)	120	60	100	20	—
Cost of Machinery (₹)	36,000	48,000	60,000	3,000	3,000
Machine Hours	8,000	6,000	6,000	—	—
Service rendered to other Departments :					
S ₁	20%	30%	40%	—	10%
S ₂	50%	30%	20%	—	—

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9. A product is produced after passing through two processes – Process I and Process II. You are required to prepare Process I A/c, Process II A/c, Abnormal Loss A/c and Abnormal Gain A/c from the following information :

	Process-I	Process-II
Basic Raw Materials (1,000 units)	₹ 15,000	–
Process Materials added	–	₹ 8,160
Direct Wages	₹ 34,100	₹ 31,680
Manufacturing Expenses	₹ 23,900	₹ 18,660
Output	900 units	800 units
Normal Loss	15%	10%
Scrap Value per unit	₹ 20	₹ 30
There was no opening or closing work-in-progress.		5+5+2+3

Or,

A building construction company undertook a contract to construct a house for a contract price of ₹ 13,00,000 and started work on 01.04.2018. But the work remained incomplete on 31.12.2018, the end of the accounting year. Prepare contract Account from the following detail for the period ended on 31.12.2018 and calculate the portion of profit to be shown in Profit and Loss A/c.

	(₹)
Materials issued to the contract	3,60,000
Plant purchased for the contract	64,000
Wage paid	1,74,000
Direct expenses	78,000
Depreciate plant @ 10% p.a.	
Cash received	6,00,000
Cost of work not yet certified on 31.12.18	60,000
Materials in hand on 31.12.18	35,000
Materials costing ₹ 8,000 were sold at	10,000
Wages paid in advance	500
Contract Price	13,00,000
Retention Money – 20% of value of work certified.	
Total Establishment Expenses – ₹ 82,000 (of which 25% is to be charged to this contract).	