

Khudiram Bose Central College

Cost and Management Accounting

B.Com Part 2 (Honours and General)

Date of Examination- 05/12/2020

Time- 1 hour (10:00 am – 11:00 am)

Group A- Answer any 1 of the following: (1x5)

1. From the following particulars in respect of the use of material, compute (a) Economic Order Quantity (b) Frequency of orders during the year (c) Time interval between orders:

Annual Usage- Rs. 3,60,000; Ordering Cost per order- Rs. 100; Carrying Cost per annum- 8%.
(2+2+1)

2. What is a Cost Unit? Give any two examples of Cost Unit. (3+2)

Group B- Answer any 2 of the following: (2x10)

3. From the following information, compute the raw material purchased:

Opening stock of raw materials- Rs. 20,000; Closing Stock of raw materials- Rs. 30,000; Direct Wages- Rs. 2,10,000; Factory Overhead- 60% of Direct Wages; Administrative Overhead- 10% of Works Cost; Cost of Production- Rs. 6,88,600.

4. In a factory, S took 30 hours to complete a job. The Factory Cost of the job is Rs. 5,200. Raw Material cost of the job is Rs. 4,000. Hourly rate of wages is Rs. 20. Works Overhead is recovered on the job at Rs 15 per labour hour worked. S is entitled to receive Bonus according to Rowan Plan. Calculate Standard Time for completion of the job.

5. Distinguish between traditional Absorption Costing system and Activity Based Costing system.

6. Prepare a Reconciliation Statement from the following information:

Particulars	Rs.
Net Profit as per Cost accounts	1,29,690
Income Tax provided in financial accounts only	30,000
Directors' fees shown in financial accounts only	12,000
Works overhead charged in financial accounts	42,000
Works overhead charged in cost accounts	51,000
Depreciation charged in financial accounts	8,400
Depreciation recovered in cost accounts	9,000
Administrative Overhead over-recovered	1,275
Interest on investments not included in Cost Accounts	6,000
Provision for doubtful debts	6,000

