

Goa Vidyaprasarak Mandal's
GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE AND
ECONOMICS, PONDA-GOA
B.COM. CBCS (SEMESTER – V) EXAMINATION, AUGUST 2020
COST ACCOUNTING (DSE-1)

Duration:- 2 hours

Marks: 30

Instructions; 1) All questions are compulsory.

2) Give working notes wherever is necessary.

Q. 1) Answer any FIVE from the following: (5x2 = 10)

- a) Fixed cost
- b) Variable cost
- c) Defectives
- d) Material control
- e) Store keeper
- f) ABC analysis
- g) Average method
- h) Highest in first out method

Q. 2) Answer any FOUR from the following: (4x5 = 20)

- a) What is cost? State the advantages of cost accounting.
- b) ABC Ltd. provides the following information about its material A purchased during the month of May, 2020:
Material purchased -- 1, 200 kgs at ₹ 20 per kg
Trade discount -- 20%
Transport charge – ₹ 240.
Stores overheads – ₹ 450
Cost of containers – ₹10 per drum of 25 kgs.
Credit allowed on return of containers at ₹ 8 per drum.
The containers are returned in due course.
Prepare a statement showing the total cost of material purchased.
- c) Find out the Economic Ordering Quantity from the following information;
Annual usage 6, 000 units
Ordering cost ₹ 60
Cost of material per unit ₹ 20
Annual carrying cost of inventory value 10%
- d) The component A of Z Ltd is used as under;
Normal consumption 50 units
Minimum consumption 25 units
Maximum consumption 75 units
Re-order quantity 300 units
Re-order period 4 to 6 weeks
Calculate: i) Re-order level, ii) Minimum level and iii) Maximum level
- e) Prepare a stores ledger under FIFO method from the following transactions for the month ended 30th April, 2020:
- | Date | Transactions |
|------------|---|
| 01/04/2020 | Opening balance of 200 units @ ₹ 10 each. |
| 05/04/2020 | Issued 100 units. |
| 08/04/2020 | Bought 300 units @ ₹ 12 per unit. |
| 10/04/2020 | Returned to the supplier 20 units @ ₹12 per unit. |
| 12/04/2020 | Issued 200 units |

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15/04/2020 Received 200 units @ ₹15 each.
22/04/2020 Issued 300 units.
25/04/2020 purchased 100 units @ ₹ 17 per unit.
The stock verification report revealed a shortage of 5 units on 30th April, 2020.

f) From the following transactions for the month of May 2020 of XYZ Ltd.,
prepare a Stores Ledger under the Standard Price Method;

Date	Transactions
01/05/2020	Purchased 500 units at ₹ 10 per unit,
05/05/2020	Issued 300 units.
10/05/2020	Received 200 units at ₹ 15 each.
15/05/2020	Issued 200 units.
20/05/2020	Bought 100 units at ₹ 20 per unit.
22/05/2020	Issued 200 units.
25/05/2020	Purchased 200 units at ₹ 25 each.
27/05/2020	Issued 50 units.
30/05/2020	Bought 300 units at ₹ 30 per unit.

The standard price for the issue of materials is ₹ 20.

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