Examination October 2026

Repeat

UCOD102

GOA UNIVERSITY

B.COM (CBCS) Semester-V

Subject Name: Cost Accounting- Cost Accounting: I

Paper Title: Cost Accounting: I **Paper Code: UCOD102**

Duration: 2.00 Hours **Total Marks: 80**

Instructions:

1) Question No. 1 is compulsory.
2) Answer any three questions from Question No. 2 to Question No 6.
3) Figures to the right indicate marks.

Q1.

Following is an extract of the record of receipts & issues of sulphur in a chemical factory during November, 2018. **(20 Marks)**

Nov.

1 Opening Balance 500 tonnes @Rs.200

3 Issue 70 tonnes

4 Issue 100 tonnes

8 Issue 80 tonnes

13 Received from supplier 200 tonnes @Rs.190

14 Returned from department 15 tonnes

16 issue 180 tonnes

20 Received from supplier 240 tonnes @ Rs.190

24 issue 300 tonnes

The stock verifier of the factory has found shortage of 10 tonnes on the 22nd and left a note accordingly. Draw up priced stores ledger card for the material showing the above transactions using FIFO & LIFO methods,

Q2 a) Modern Manufacturing Company purchased a material of 20 tonnes from a mining company. The following data is available for the lot of material purchased: **(10 Marks)**

a) Invoice price of material @ 2000 per tonne

X8Y5B795FX8Y5B795FX8Y5B795FX8Y5B795F

b) Trade discount @ 20% on invoice price
c) Sales tax @ 10%
d) Freight & Insurance @ 2%
e) Other charges for delivery @ 100 per tonne
f) Cost of container @ 20 per box of 1 quintal(100 kg)
g) Cost of loading and unloading @ 1 % of total cost

Compute total material purchase cost and cost per tonne to Modern Manufacturing Company.

b) Why is centralised purchasing superior to decentralised purchasing **(10 Marks)**

Q3.a) Two materials, X and Y, are used as follows: **(15 Marks)**

Minimum usage-50 units per week each
Maximum usage-150 units per week each
Normal usage-100 units per week each
Ordering quantity: X -600 units and Y-1000 units
Delivery period: X-4 to 6 Weeks
Y-2 to 4 Weeks

Calculate for each material: Reorder Level, Minimum Stock Level, Maximum Stock Level, Average Stock Level & Danger Level.

b) A Company manufactures a special product which requires a component "Alpha". The following particulars are available for 2010: **(05 Marks)**

Annual Demand 8,000 units
Cost of placing an order Rs.200 per order
Cost per unit of Rs.400
Carrying cost % p.a. 20
You are required to calculate Economic order quantity.

Q4. a) Following is the record of Receipt and Issue of a certain material in a factory during a week: **(10 Marks)**

April 1 Opening balance 50 tonnes@ Rs.10 a tonne
April 3 Issued 30 tonnes
April 4 Received 60 tonnes@ Rs.10.12 a tonne

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April 5 Issued 25 tonnes

April 6 Received back from complete work order 10 tonnes (previously issued @Rs.10 a

April 7 Issued 40 tonne)

Assuming that the issues of materials is priced on the weighted average method, prepare Store Ledger Account.

b) The standard price of a material is fixed at Rs.12 per unit. Following purchases & issues were made during March 2009. Prepare the Stores Ledger Account showing how the cost of material issued & value of balance in stock will be recorded under the standard price method. **(10 Marks)**

March

3 Received 1800 units @ Rs 12

8 Received 500 units @ Rs 14

15 Issued 1000 units

21 Received 600 units @ Rs 11

24 Issued 700 units

28 Received 900 units @ Rs.13

30 Issued 850 units

Q5.a) Explain the role of cost accounting in managerial decision making **(10 Marks)**

b) Distinguish between cost accounting & financial accounting **(10 Marks)**

Q6.Write short notes on the following: **(5X4=20 Marks)**

a) Advantages of cost accounting system

b) Bin Card

c) ABC method of stores control

d) Distinguish between FIFO & LIFO method

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