

**ANNAI VIOLET ARTS AND SCIENCE COLLEGE**  
**DEPARTMENT OF COMMERCE**

**CONTINUOUS INTERNAL ASSESSMENT – I (ODD SEM.)**  
**SUBJECT : ELEMENTS OF COST ACCOUNTING**

**Class : III B.Com., (G)**

**Max.Marks : 50**

**Date : 30.08.2022-AN**

**Sub. Code: CZ25A**

Depreciation recovered in cost books Rs 3000

Depreciation charged in financial books rupees 2800

Works overheads over recovered Rs.550

Administrative overheads under recovered Rs. 450

Interest on investments not included in cost accounts Rs.1200

Store adjustments credit in financial books Rs. 120

**9. Prepare a cost sheet from the following details:**

Raw materials consumed Rs.80,000  
Wages Rs.20,000

Work expenses are charged at 100% on wages, Office overhead is charged at 25% on works cost and selling overhead at 10% on works cost.

**10. Find out the economic order quantity (EOQ) from the following particulars:**

Annual usage :6000 units  
Cost of material per unit: Rs. 20  
Cost of placing and receiving one order Rs.60  
Annual carrying cost of one unit is 10% of the inventory value.

**PART B – (2 x 5 = 10 MARKS)**  
**Answer any TWO questions**

**8. From the following information prepare cost and financial profits reconciliation statement:**

Profit as per costing books 45,030

Income tax provided and financial books Rs 4000

Bank interest credit in financial books Rs.150

**PART C – (3 x 10 = 30 marks)**  
**Answer ALL questions**

**11. Differentiate between cost accounting and management accounting?**

12. M/S Indu Industries Ltd., are the manufacturers of moonlight Torches. The following data relate to manufacture of torches during the month of march 2009.

Raw materials consumed	Rs. 20,000
Direct wages	Rs.12,000
Machine hours worked	Rs.9500 hours
Machine hour rate	Rs.2
Office overheads	20% of works cost
Selling overheads	50 paise per unit
Units produced	20,000 units
Units sold	18,000@ Rs 5 per unit.

Prepare cost sheet showing the cost and the profit per unit and the total profit earned.

Consumable stores	2,500
Manager's Salary	5,000
Directors' fees	1,250
Office Stationery	500
Telephone Charges	125
Postage and Telegrams	250
Salesmen's salary	1,250
Travelling expenses	500
Advertising	1,250
Warehouse charges	500
Sales	1,89,500
Carriage outward	375
Dividend	2,000

13. The following details have been obtained from the cost records XYZ Ltd. Prepare a cost sheet.

PARTICULARS	Rs.
Direct Materials	1,00,000
Direct Wages	30,000
Wages of Foreman	2,500
Electric power	500
<b><u>Lighting:</u></b>	
Factory	1,500
Office	500
Storekeeper's wages	1,000
Oil and water	500
<b><u>Rent:</u></b>	
Factory	5,000
Office	2,500
<b><u>Repairs and Renewals:</u></b>	
Office premises	500
Factory plant	3,500
Transfer to Reserves	1,000
<b><u>Depreciation:</u></b>	
Factory Plant	500
Office Premises	1,250

**Prepared by**  
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