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## PRESIDENCY UNIVERSITY BENGALURU

### SCHOOL OF LAW MID TERM EXAMINATION - MAY 2023

**Semester :** Semester II - 2022 -23 - BCL - 2022

**Course Code :** BCL2009

**Course Name :** Sem II - BCL2009 - Cost Accounting

**Program :** B.Com LLB Honors

**Date :** 22-MAY-2023

**Time :** 2.00 PM - 3.30 PM

**Max Marks :** 50

**Weightage :** 25%

**Instructions:**

- (i) Read all questions carefully and answer accordingly.
- (ii) Question paper consists of 3 parts.
- (iii) Scientific and non-programmable calculator are permitted.
- (iv) Do not write any information on the question paper other than Roll Number.

**ANSWER ALL THE QUESTIONS**

**(5 X 10 = 50M)**

1. The following details are available with reference for material A during the month of January 2017.  
 Jan 1 Opening stock 200 units at Rs. 3 per unit  
 Jan 2 Received 300 units at Rs. 4 per unit  
 Jan 4 Issued 250 Units  
 Jan 6 received 100 units at Rs. 2 per unit  
 Jan 7 Issued 50 Units  
 Jan 8 received 300 units at Rs. 3 per unit  
 Jan 10 Issued 200 Units  
 Ascertain the stock value on 10th Jan by preparing Stores Ledger account under FIFO method.  
 (CO2) [Comprehension]
2. A business requires products like raw materials and services from vendors for successful operations. Searching, negotiating and buying from vendors is a part of the purchasing process. Considering this statement explain the steps involved in the purchase procedure.  
 (CO2) [Comprehension]
3. Answer the following questions:
  - a) What do you understand by cost accounting?
  - b) Explain any two advantages of cost accounting.
  - c) What is the main difference between direct expenses and indirect expenses?
  - d) What is carriage inward?
  - e) Supervisors wages comes under which head of cost sheet?
 (CO1) [Comprehension]

4. The following information is available in respect of a particular material  
Re-order quantity is 1500 units, Re-order period is 4-6 weeks, Maximum consumption is 400 units per week, Normal consumption is 300 units per week.  
The minimum consumption is 250 units per week. Calculate Re-order level, maximum level, minimum level, and average stock level.

(CO2) [Application]

5. From the following particulars, prepare a statement of cost to ascertain the profit and loss for the year ended on 31.3.2010. The following is extracted from BU Ltd.

Direct material 140000  
Factory rent, rate, taxes 10000  
Chargeable expenses 40000  
Depreciation on machinery 3000  
Travelers salary 4000  
Office cleaning and lighting 8000  
Office factory expenses 5000  
Travelling expenses of salesman 2200  
Carriage and freight inwards 9000  
Advertisement 4000  
Wages for indirect labor 20000  
direct wages 150000  
Office rent, rates, taxes 1000  
Office salary 5000  
Printing and stationery 1000  
Factory repairs 6400  
Management expenses 2400  
Showroom expenses 2000  
Carriage and freight outwards 2000  
Sales 460000

Management expenses are to be distributed among factory expenses, office & administrative expenses, and selling and distribution expenses in the ratio of 2:1:3.

(CO1) [Comprehension]