

HPF&AS PART-II EXAMINATION-2024

PAPER-III: COST ACCOUNTING AND AUDITING (WITHOUT BOOKS)

Time Allowed: 03 hours

Maximum Marks: 100

Roll No. _____

Note:

- 1. Attempt any three questions from Part-I and two questions from Part-II.**
- 2. Marks have been indicated against each question.**
- 3. Attempt all parts of questions consecutively.**
- 4. Indicate the same question number and its part as assigned in the question paper while answering the same failing which such answer shall not be evaluated.**
- 5. Simple Calculator may be used but use of any other electronic device is not allowed.**

PART-I (COST ACCOUNTING) (75 marks)

Q.No.1(a) What is Cost Accounting? What are the advantages of Cost Accounting?

(b) Distinguish between Cost Accounting and Financial Accounting.

[12½ + 12½ = 25]

Q.No.2 (a) ABC Limited produces a product which has a weekly demand of 2500 units. The Product requires 5 kg material for every finished unit of product. Material is purchased at Rs. 104 per kg. The ordering cost is Rs. 200 per order and the carrying cost is 10% per annum.

1. Calculate Economic Order Quantity.
2. Should the company accept an offer of 3% discount by the supplier who wants to supply the annual requirement of material in five equal instalments?

(b) Calculate Re-ordering level, Minimum level and Maximum level for Material X and Material Y using following information:

1. Minimum usage per week each – 50 units
2. Maximum usage per week each – 150 units
3. Normal usage per week each-100 units
4. Ordering quantity – Material X 600 units and Material Y 1000 units
5. Delivery Period – Material X, 4 to 6 weeks and Material Y, 2 to 4 weeks

(c) Ascertain the prime cost, works cost, cost of production, total cost and profit from the under mentioned figures:

Direct Materials Rs. 5000; Direct Labour Rs. 2500; Direct Expenses Rs.1000;
Factory Expenses Rs. 1500; Administrative Expenses Rs. 800; Selling Expenses
Rs. 700 and Sales Rs. 15000.

[10+8+7=25]

Q.No.3 (a) Following information is collected from the Personnel department of X Ltd. for the year ending 31st March, 2024:

Number of workers at the beginning of the year 8000; number of workers at the end of the year 9600; number of workers left the company during the year 500; Number of workers discharged during the year 100; Number of workers replaced due to workers left and discharged 700; Additional workers employed for expansion during the year 1500.

Calculate the labour turnover rate by using (i) Separation method, (ii) Replacement method and (iii) Flux method.

(b) What is Idle time? Explain normal and abnormal Idle time along with treatment in cost accounts.

[15 +10 = 25]

Q.No.4 Write short notes on the following:

- a) Cost Centre
- b) Cost units
- c) Stock Control through ABC Analysis
- d) Bin Card
- e) Process Costing

[5 x 5= 25]

PART-II (AUDITING) (25 marks)

Q.No.5 (a) Describe the main characteristics of a good system of internal control.

(b) What steps would you take before commencing the actual work of audit upon being appointed as an auditor?

[6+6½ = 12½]

Q.No.6 (a) Distinguish between Internal Check and Internal Control.

(b) Differentiate between Internal audit& Independent Audit.

[6 + 6½ = 12½]

Q.No.7 Write short notes on following:

(a) Characteristics of Good Working Papers.

(b) Internal Control questionnaire.

[6½ + 6 = 12½]
