

TB206235W

Reg. No :

Name :

B. Com. DEGREE (C.B.C.S.) EXAMINATION, MARCH 2023
(2020 Admission Regular, 2019, 2018 Admissions Supplementary)
SEMESTER VI - CORE COURSE (COMMERCE)
(B. Com (Finance & Taxation and Capital Market)
CO6B20B18 - COST ACCOUNTING II

Time : 3 Hours

Maximum Marks : 80

Part A

I. Answer any Ten questions. Each question carries 2 marks

(10x2=20)

1. What is Job Costing?
2. Explain Retention Money.
3. Mention two objectives of Canteen Costing
4. Explain Logsheet.
5. Give the accounting treatment for Abnormal Loss.
6. What is scrap?
7. Describe Margin of Safety (MOS).
8. Describe period cost.
9. Fixed Cost = Rs 1,50,000 , V.C per unit = Rs 10 , S.P per unit = Rs 15. Calculate P/V Ratio.
10. Explain sales budget.
11. Explain manufacturing overhead budget.
12. Explain the features of Flexible Budget.

Part B

II. Answer any Six questions. Each question carries 5 marks

(6x5=30)

- 13.

Material issued	6,00,000
Wages paid	4,40,000
Wages accrued	60,000
General expenses	60,000
Plant installed at commencement	4,00,000
Value of plant on 31.3.2020	3,20,000
Materials on hand on 31.3.2020	80,000
Work certified	16,00,000
Work uncertified	1,00,000
Cash received being 75% of work certified	12,00,000

Prepare Contract Account

14. Job Number 444 was commenced on September 12 , 2011 and completed on November 1 , 2011. Materials used were Rs 600 and labour charge directly to the Job was Rs 400. Other informations was as follows:

Machine No:315 used 40 hours , the machine hour rate is Rs 3.50
Machine No:189 used 30 hours , the machine hour rate is Rs 4

6 Welders worked on the job for 5 days of 8 hours , the direct labour hour rate for welders is Rs 2. Other expenditure of the concern not apportioned for calculating the machine hour or direct labour hour rates amounted to Rs 20,000 , total direct wages for the period Rs 20,000. Ascertain the works cost of the Job Number 444.

15. A transport service company is running 4 buses between 2 towns which are 50 kms apart. Seating capacity of each buses is 40 passengers. The following particulars were obtained from their books for the month of April 2014.

Wages of drivers, conductors and cleaners	Rs.2,40,000
Wages of office and supervisory staff	Rs. 1,00,000
Diesel oil and other oils	Rs. 4,00,000
Repairs and maintenance	Rs.80,000
Taxation, Insurance etc	Rs.1,60,000
Depreciation	Rs.2,60,000
Interest and other charges	Rs.2,00,000
Total	Rs.14,40,000

Actual Passengers carried were 75% of the seating capacity. All the 4 buses run on all the days of the month. Each bus made one round trip per day. Find out the cost per passenger kilometer.

16. **The manufacture of a product "X" requires two distinct processes, process I and process II. On completion, the product is transferred from process II to finished stock. The following relate to the product for a particular period.**

Elements of cost	Process I	Process II
	Rs.	Rs.
Direct material	8,000	2,000

Direct labour	6,000	7,000
Direct expenses	4,000	3,000
Production overheads	2,000	1,000

Production during the period was 1,000 units. There was no stock of raw materials or work in progress either at the beginning or at the end of the period. Show the process accounts.

17. 1,000 units of raw materials were introduced to process X at Rs.10 per unit. Direct labour and other expenses were Rs.3,000 and Rs.2,000 respectively. Past experience shows that 10% of units introduced to the process are normally lost which possesses a scrap value of Rs. 6 per unit. The actual production from the process were only 850 units to be transferred to process Y. Prepare process X a/c , abnormal loss a/c and normal loss a/c
18. What is Break Even Analysis. What are its assumptions ?
19. The following relate to a concern
- | | |
|------------------------|--------------|
| Sales | Rs 20,00,000 |
| P/V Ratio | 20% |
| Margin Of Safety Ratio | 30% |
- Calculate Break Even Sales
 - Profit earned by a concern
 - Sales to earn a profit of Rs 2,00,000
20. Explain any 5 functional budgets with examples.
21. Explain the purpose of preparing Cash budget.

Part C

III. Answer any Two questions. Each question carries 15 marks

(2x15=30)

22. XY LTD was engaged on a contract during the year 2018. The contract price was Rs 8,00,000. The Trial Balance of the company was as follows on 31st December 2018.

Particulars	Dr (Rs)	Cr (Rs)
Share Capital		1,60,000
Creditors		16,000
Land & Building	68,000	
Cash	18,000	
Contract account::		
Materials	1,50,000	
Plant	40,000	
Wages	2,10,000	
Expenses	10,000	
Advance from contractee(80% of work certified)		3,20,000
	4,96,000	4,96,000

Of the Plant & Materials charged to the Contract, Plant costing Rs 6,000 and Materials costing Rs 48,000 were destroyed in an accident. On 30 June 2018, plant which cost Rs 8,000 was returned to stores. The value of materials at site was Rs 6,000. Work done but not certified was Rs 4,000. Charge Depreciation on plant at 10%. Prepare Contract Account and Balance sheet.

23. Narmada Ltd manufactures a chemical in three processes. The details of these three processes are as follows:

	Process I	Process II	Process III
Transferred to next process	66.67%	60%	----
Transferred to warehouse	33.33%	40%	100%

In each process, out of the total weight put in, 4% is wasted and 6% is scrap. The scrap is sold at Rs.6, Rs.10 and Rs.12 per ton in I, II and III respectively. For the month of October 2013 the details of expenditure are:

Process I - 2,800 tons of materials at Rs.40 per ton

Process II - 320 tons of materials at Rs.64 per ton

Process III - 2,520 tons of materials at Rs.28 per ton

Production labour cost is:

Process I - Rs.20,608

Process II - Rs.12,560

Process III - Rs. 11,580

For the month of October 2013 the office and administration expenses worked out at Rs.15,567 which is to be charged equally for all the processes.

Prepare Process cost accounts, calculate the cost per ton in each process.

24. The following information is provided for period I and period II

Period	Sales	Profit
I	2,40,000	5,000
II	2,60,000	7,000

Calculate

- P/V Ratio
- Fixed Cost
- Breakeven sales
- Profit when sales are Rs 2,00,000
- Sales required to earn a profit of Rs 20,000

25. From the following information given below prepare a flexible budget at 60% and 80% capacities and find the total overheads rates.

Particulars	at 75% capacity(Rs)
variable overhead:	
Indirect materials	7500
Indirect labour	22500
Semi variable overhead	
Electricity(40% fixed, 60% variable)	37500
Repairs(80% fixed,20%variable)	3750
Fixed overheads	
Salaries	1,00,000
Insurance	5000
Depreciation	25000

Estimated direct wages Rs.40250 at 75% capacity. Estimated labour hours 7500 @ 75% capacity.