

TB246191T

Reg. No :

Name :

BACHELOR'S DEGREE (C.B.C.S) EXAMINATION, MARCH 2024

2021 ADMISSIONS REGULAR

SEMESTER VI - CORE COURSE (COMMERCE; OPTIONAL: FINANCE AND TAXATION)

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. Mention any two features of contract costing.
2. Mention any two characteristics of Job Costing.
3. Describe Log Book.
4. Explain Logsheets.
5. Explain process account.
6. Explain the meaning of scrap.
7. Explain Break Even Point.
8. Rephrase the term Contribution.
9. Determine Fixed Cost. Sales = Rs 10,00,000, Variable cost = Rs 6,00,000, Profit = Rs 1,50,000
10. Discuss the meaning of Budget Key factor.
11. Describe Zero based budgeting.
12. Explain the functions of a Budget Committee.



Part B

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

(6x5=30)

13. The information given below is taken from the records of an engineering works in respect of Job No.777

Materials	Rs.4010
Wages	
Dept A	60 Hours@Rs.3 per hour
Dept B	40 Hours @Rs.2 per hour
Dept C	20 Hours @Rs.5 per hour

The overhead expenses are as follows:

Variable	
Dept A	Rs.5000 for 5000 labour hours
Dept B	Rs.3000 for 1500 labour hours
Dept C	Rs.2000 for 500 labour hours
Fixed	
	Rs.20000 for 10000 working hours

Calculate the cost of Job No .777 and price of the job to give a profit of 25% on sales.

14. From the following particulars, prepare the cost sheet for job No.444 and find out the amount to be charged on the customer:
- Direct material used for the job Rs.17,000
 Productive wages Rs. 24,200
 Direct expenses Rs.1,320
 Charge 60% of productive wages for factory overheads and 20% of works cost for office overhead. Profit to be charged is 25% on cost

15. Manoj runs a Tempo service in the city. You are required to calculate cost of running Kilometre from the following:

PARTICULARS	RS
Cost of Vehicle	2,50,000
Road licence per year	7,500
Supervision (Yearly)	18,000
Drivers wages per hour	40
Cost of fuel per litre	60
Repairs and maintenance per km	0.50
Tyre cost per km	2
Garage rent per year	18,000
Insurance premium (yearly)	7,500
Kilometres run per litre	6
Mileage run during the year (Km)	15,000
Estimated life of vehicles (Km)	1,00,000

Charge Interest at 10% p.a on cost of vehicle. The vehicles run 20 kms per hour on an average.

16. 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
17. From a joint process, product A, B and C are obtained, the joint cost being Rs.1,50,000. The units of the joint products were A - 3,200, B- 2,500, and C- 1,800 . Apportion the joint costs among the products according to Average Unit Cost Method.
18. Enumerate the advantages of Marginal Costing.
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 the advantages of Zero Based Budgeting.
21. Draw up a Format of 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. A product passes through three distinct processes I, II and III to completion. 20,000 units of raw materials are introduced to process X at Rs.30 per unit. The following relates to the process:

	Process I Rs.	Process II Rs.	Process III Rs.
Sundry materials	20,000	43,800	81,400
Labour	80,000	60,000	1,00,000
Overheads as % on labour	50%	100%	40%
Actual output	18,000	16,400	15,500
Normal wastage on input	10%	10%	5%
Scrap value of wastage per unit	10	5	20

Prepare Process Accounts, Normal Wastage Account and Abnormal Wastage or Gain Account if any.

24. From the following information you are required to find out

- Contribution
- BEP (in units)
- Margin of safety
- Profit
- Volume of Sales to earn a profit of Rs 6,000

Total F.C	= Rs 4,500
Total V.C	= Rs 7,500
Total Sales	= Rs 15,000

Units sold = 5,000 units

25. A department of Company X attains sale of Rs 6,00,000 at 80% of its normal capacity and its expenses are given below:

Administrative Cost(Fixed):	
Office Salaries	Rs 90,000
General expenses	4% of sales
Depreciation	Rs 7500
Rates and Taxes	Rs 8750
Distribution Costs:	
Wages(Fixed)	Rs 15000
Rent	2% of sales
Other expenses	8% of sales
Selling costs:	
Salaries	16% of sales
Travelling expenses	4% of sales
Sales office	2% of sales
General expenses	2% of sales

Draw up Flexible administration , selling and Distribution cost budget, Operating at 90%,100% and 110% of normal capacity.

