TB156235D

Reg. No :...............................

Name :.................................

B. COM. DEGREE (C.B.C.S.S) EXAMINATION, MARCH 2018

(2015 Admission Regular)

SEMESTER VI - CORE (COMMERCE)

CO6B22B - APPLIED COST ACCOUNTING (T)

Time : 3 Hours

Maximum Marks : 80

Part A

1000

10 [illegible]

I. Answer all questions. Each question carries 1 marks (6x1=6)

1. What is job costing?
2. What is contract account?
3. What is joint product?
4. What is margin of safety?
5. What is variable cost?
6. What is budget manual?

Part B

II. Answer any Seven questions. Each question carries 2 marks (7x2=14)

7. State the features of job costing.
8. Explain the advantages and disadvantages of cost plus contract.
9. What is cost plus contract?
10. What are the objectives of process costing?
11. Distinguish between normal wastage and abnormal wastage.
12. Distinguish between fixed cost and variable cost.
13. Calculate P/V Ratio from the following:
    Sales Rs. 6,00,000
    Variable Cost - Rs.4,50,000
    Fixed Cost - Rs.1,00,000
14. Calculate the amount of contribution and profit from the following:
    Sales - Rs.8,00,000
    Variable Cost - Rs.4,00,000
    Fixed Cost- Rs.2,00,000
15. Explain the advantages of ZBB.
16. What is budget committee? What are the duties of it?

Part C

III. Answer any Five questions. Each question carries 6 marks (5x6=30)

17. Explain in detail the procedures or steps involved in job costing.
18. What are the commonly followed rules for crediting profit for on incomplete contracts to P/L Account?
19. Explain the different methods of accounting of by products.
20. 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. Preapre process X a/c , abnormal loss a/c and normal loss a/c
21. Explain CVP analysis.
22. You are given the following:
    Break even sales Rs.60,000
    Fixed cost Rs.20,000
    Calculate the profit when sales are Rs. 1,20,000.
23. Explain the duties of a budget officer.

24. What is ZBB? What are the advantages of it?

Part D

IV. Answer any Two questions. Each question carries 15 marks **(2x15=30)**

25. The following particulars relating to a contract of the contract price of Rs.5,00,000 commenced on 1st January 2015.

	Rs.
Work certified till 31st December 2015	4,80,000
Cost of work uncertified on 31-12-2015	3,000
Cash received from contractee	3,84,000
Materials used	2,10,000
Labour	1,80,000
Indirect expenses	20,000

It is informed that the contract would be finished by 15th January 2015. It is estimated that the further expenses required for completing the work would be:

	Rs.
Materials	6,000
Labour	5,000
Other expenses	3,000

Prepare contract account for the year ended 31st December 2015 showing clearly the amount that would be transferred to P/L Account.

26. The finished product of a factory has to pass through three processes A, B and C. The normal wastage of each process is 2% in A, 5% in B and 10% in C. The scrap values of wastages of processes A, B and C are Rs.10, Rs.40 and Rs.20 per units respectively. The output of each process is transferred to the next process and the finished products are transferred from Process C to stock. The following further information is obtained:

	Process A Rs.	Process B Rs.	Process C Rs.
Materials consumed	12,000	4,000	4,000
Direct labour	8,000	6,000	6,000
Manufacturing expenses	2,000	4,000	2,000

20,000 units were put into Process A at a cost of Rs.16,000. The output of each process has been : A-19,600 units, B-18,400 units and C- 16,700 units. There was no stock of work-in-progress in any process. Prepare relevant accounts.

27. X Ltd furnishes you the following information relating to half year ended 30th June 2016:

Fixed expenses	45,000
Sales value	1,50,000
Profit	30,000

During the second half of the year the company has projected a loss of Rs.10,000.
Calculate:

(i) The break even point and the margin of safety for the six months ending 30th June 2016
(ii) Expected sales volume for the second half of the year assuming that the P/V Ratio and fixed expenses remain constant in the second half year also.
(iii) The break even point and margin of safety for the whole year 2016.

28. The expenses for the production of 5,000 units in a factory are given as follows:

	Per unit (Rs.)
Materials	50
Labour	20
Variable overheads	15
Fixed overheads(Rs.50,0000)	10
Administration overheads	10
Selling expenses	6
Distribution expenses	5

You are required to prepare a budget for the production of 7,000 and 10,000 units.