**ST. JOSEPH’S COLLEGE (AUTONOMOUS), BENGALURU -27**

Registration Number:

Date & Session: 2-12-2022 (9 am)

**B.Com – V SEMESTER**

**SEMESTER EXAMINATION: OCTOBER 2022**

**(Examination conducted in December 2022)**

**BC 5118/BPS 5118 : Cost Accounting II**

**Time: 2 ½ Hours Max Marks: 70**

**This paper contains 3 printed pages and 4 parts**

**Section A**

I. Answer any **five** of the following  **(5 X 2 = 10marks)**

1. What is retention money?
2. Give the meaning of normal loss? Give examples.
3. Define marginal costing.
4. State any four functions of cost accounting.
5. State the uses of operating costing
6. Give the meaning of batch costing with suitable examples.

**Section B**

II. Answer any **three** of the following **(3 x 5 = 15 marks)**

1. From the following information calculate a) total kilometers and b) Total passenger kilometers.

No of buses -4

Days operated in a month -30

Trips made by each bus- 2

Distance of route 200 km (one side)

Capacity of each bus 40 passengers

Average passengers travelling 75% of capacity

1. What is the meaning of joint products? Write a note on its features.
2. A) Highlight the meaning of EBQ.

B) Compute the Economic batch quantity for a company using batch costing with the following information:

Annual demand for the component 2000 units

Setting up cost Rs 100

Carrying cost per unit Rs 10.

1. What is Break-even analysis? State the benefits of break-even analysis/cost-volume profit analysis (cvp).

**Section C**

III. Answer any **two** of the following **(2 x 15 = 30 marks)**

1. The under given data is supplied by Fair deal travel services, from the following information calculate the total cost for **passenger Km per annum.**

|  |  |
| --- | --- |
| Particulars | Amount |
| The cost of the Bus | Rs. 4,50,000 |
| Insurance Charges | 3% p.a |
| Annual Tax | Rs. 4,500 |
| Garage Rent | Rs. 500 p.m |
| Annual repairs | Rs. 4,800 |
| Expected Life of the bus | 5 Years |
| Value of scrap at the end of 5 years | Rs, 30,000 |
| Drivers Salary | Rs. 550 p.m |
| Conductors Salary | Rs. 500 p.m |
| Commission to Driver & conductor (shared equally) | Rs 20,420 |
| Stationery  | Rs. 250 p.m |
| Managers Salary | Rs. 1,750 p.m |
| Diesel and oil( for 100 Kms) | Rs. 125 |

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The bus will make 3 rounds trips, 20 kms one way, for carrying on the average 40 passenger’s in each trip. The bus will work on the average 25 days in a month.

1. The following expenses were incurred for a job during the year ended 31st December 2019

|  |  |
| --- | --- |
| Particulars | Amount(Rs) |
| Direct Materials | 3,000 |
| Direct Wages | 4,000 |
| Chargeable expenses | 1,000 |
| Factory Overhead | 2,000 |
| Selling and Distribution Overhead | 2,000 |
| Administration Overhead | 3,000 |

Selling price for the above job was Rs. 18,000.

You are required to prepare a statement showing the profits earned for the year 2019 from the job and an estimated price of a job which is to be executed in the year 2020. Materials, wages and chargeable expenses will be required to be Rs. 5,000, Rs. 7,000 and Rs.2,000 respectively for the job.

The various overheads should be recovered on the following basis while calculating the estimated price.

1. Factory Overheads as percentage of direct wages
2. Administration and selling and distribution overheads as a percentage of factory cost.
3. Three contracts A, B and C, commenced on 1st January, 1st July and 1st October 2019 respectively and their accounts on 31st December 2019 showed the following balances:

|  |  |  |  |
| --- | --- | --- | --- |
| Particulars | Contract A(Rs.) | Contract B (Rs.) | Contract C(Rs) |
| Contract Price | 8,00,000 | 5,40,000 | 6,00,000 |
| Raw materials | 1,44,000 | 1,16,000 | 40,000 |
| Wages Paid | 2,40,000 | 2,24,800 | 28,000 |
| General Charges | 8,000 | 5,600 | 2,000 |
| Plant Installed | 40,000 | 32,000 | 24,000 |
| Materials in hand | 8,000 | 8,000 | 4,000 |
| Wages accrued | 8,000 | 8,000 | 3,600 |
| Work Certified | 4,00,000 | 3,20,000 | 72,000 |
| Work not Certified | 12,000 | 16,000 | 4,200 |
| Cash received  | 3,00,000 | 2,40,000 | 54,000 |

The plant was installed on the commencement of each contact, depreciation to be taken at 10% p.a.

Prepare Contract Accounts of A, B and C on 31st December 2019.

**Section D**

IV **Answer the following (1 X 15 = 15 marks)**

1. The product of a company passes through 3 distinct process. The following information is obtained from the accounts for the month ending January 31, 2019.

|  |  |  |  |
| --- | --- | --- | --- |
| Particulars | Process A | Process B | Process C |
| Direct Materials | Rs. 7,800 | Rs. 5,940 | Rs. 8,886 |
| Direct Wages | Rs. 6,000 | Rs, 9,000 | Rs. 12,000 |
| Production Overheads | Rs. 6,000 | Rs. 9,000 | Rs. 12,000 |
| Output( units) | 2,850 | 2,520 | 2,250 |
| Normal Loss | 5% | 10% | 15% |
| Realizable value of scrap | Rs. 2 | Rs. 4 | Rs. 5 |

 3,000 units at Rs. 3 each were introduced to process A

 There was no stock of materials or work in progress.

The output of each process passes directly to the next process and finally to finished stock A/c.

Prepare Process Account, Normal Loss Account and Abnormal Gain or Loss Account.

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