Reg.No. \_\_\_\_\_\_\_\_\_\_\_\_

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**End Semester Examination – Nov/Dec – 2018**

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| **Code :** | **17BB2013** | **Duration :** | **3hrs** |
| **Sub. Name :** | **COST ACCOUNTING** | **Max. marks :** | **100** |

**ANSWER ALL QUESTIONS (5 x 20 = 100 Marks)**

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| **Q. No.** | **Sub Div.** | **Questions** | **Course**  **Outcome** | **Marks** |
| 1. | a. | Highlights the advantages of cost accounting. | CO1 | 10 |
| b. | What is costing? Explain its elements. | CO1 | 10 |
| (OR) | | | | |
| 2. |  | The cost of sale of Product A is made up as follows:   |  |  | | --- | --- | | **Particulars** | **Amount** | | Materials used in manufacturing  Materials used in packing  Materials used in selling products  Materials used in factory  Materials used in the office  Labour required in production  Labour required in factory supervision  Direct expenses  Indirect expenses:   * Office expenses * Factory   Depreciation:  – office building   * Factory   Selling expenses  Freight on materials  Advertising | 5500  1000  150  75  125  1000  200  500  125  100  75  175  350  500  125 |   Prepare statement of cost and profit. Assuming that all products manufactured are sold, what should be the selling price to obtain a profit of 25% on selling price? | CO2 | 20 |
|  |  |  |  |  |
| 3. | a. | Explain the impact and causes of labour turnover. | CO3 | 10 |
| b. | Enumerate the functions of purchase department relevant to costing. | CO3 | 10 |
| (OR) | | | | |
| 4. | a. | What are the types of wage system usually practiced in factories? | CO6 | 10 |
| b. | How idle time has impact in costing? Explain its costing treatment. | CO6 | 10 |
|  |  |  |  |  |
| 5. | a. | Write a short note on   1. Break Even Analysis 2. Variable Cost 3. Margin of Safety | CO4 | 10 |
| b. | Explain the significance of PV ratio. | CO4 | 10 |
| (OR) | | | | |
| 6. |  | From the following data calculate:   1. Number of units to be sold to earn profit of Rs. 250000. 2. Sales to earn a profit of Rs. 250000.   Selling price per unit Rs.50  Variable selling cost per unit Rs.3  Variable manufacturing cost per unit Rs.22  Fixed factory overhead Rs. 175000  Fixed selling cost Rs.25000 | CO5 | 20 |
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| 7. | a. | Following information is extracted from the job ledger in respect of Job No 303:  Materials Rs. 3400  Wages 80 hours at Rs. 4.50 per hour  Variable overheads incurred for all jobs Rs. 5000 for 4000 hours.  Find i) the profit if the job is billed for Rs. 4460, and ii) Also find the profit percentage on total cost. | CO5 | 10 |
| b. | What is job costing? Explain its features. | CO6 | 10 |
| (OR) | | | | |
| 8. |  | Following information is extracted from the job ledger, in respect of Job 707:  Direct materials Rs. 3400  Wages:  Department A: 80 hrs @ 2.50 per hour  Department B: 60 hrs @ 4 per hour  Variable overheads:  Department A: Rs. 5000 for 4000 direct hours  Department B: Rs. 6000 for 3000 direct hours  Fixed Overheads, Rs. 7500 for 10000 hours of normal working time of the factory. Calculate the cost of Job No. 707 and estimate the percentage of profit if the price quoted is Rs. 4750. | CO5 | 20 |
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| **Compulsory:** | | | | |
| 9. |  | A product passes through three distinct processes to completion. These processes are numbered respectively I, II and III. During the week ended 15th December 2017, 500 units are producted. Following information is obtained:  Process I Process II Process III  Direct Materials (Rs.) 3500 1600 1500  Direct Labour (Rs.) 2500 2000 2500  The overhead expenses for the period were Rs. 2100 apportioned to the processes on the basis of wages. No work in progress or process stocks existed at the beginning or at the end of the week. Prepare Process Account. | CO5 | 20 |