

THE NATIONAL DEGREE COLLEGE, BAGEPALLI
INTERNAL ASSESSMENT TEST - FEBRUARY 2023
B. Com V Semester - Costing Methods

R-19

Time: 1 Hour

Max Marks: 20

SECTION - A (2 Marks)

2 Marks

I Answer any ONE of the following Questions (1 X 2)

1. State any two differences between 'Job Costing and Process Costing'?
2. What is 'Work Certified'?

SECTION - B (6 Marks)

6 Marks

II Answer any ONE of the following Questions (1 X 6)

3. The following expenses were incurred on Job No. 501:

1) Materials Rs. 17,200

2) Wages paid:

Dept. A = 40 hours @ Rs. 8 per hour

Dept. B = 50 hours @ Rs. 9 per hour

Dept. C = 60 hours @ Rs. 5 per hour

3) Works Overhead Expenses of these departments were estimated as under:

Dept. A = Rs. 9,000 for 600 working hours

Dept. B = Rs. 10,000 for 500 working hours

Dept. C = Rs. 12,000 for 300 working hours

Office Expenses were Rs. 75,000 when total direct wages paid in all three departments were Rs. 2,50,000. It is the practice of the company to recover Office Expenses as a percentage of Direct Wages. Find out the cost of Job No. 501 and its price so as to obtain a profit of 10% on selling price.

4. Calculate Economic Batch Quantity (E.B.Q.) from the following:

Annual Demand : 2,000 units

Setting up Cost : Rs. 120 per unit

Interest Charges : @ 6% p.a.

Cost of Manufacturing : Rs. 6 per unit

SECTION - C (12 Marks)

III Answer any ONE of the following Questions (1 X 12)

12 Marks

5. The product of a company passes through 3 processes to completion. The following information has been obtained from its cost records.

10,000 units were introduced to Process P in the beginning of July 2022 at a cost of Rs. 60 per unit.

The other details were as follows:

	P	Q	R
Labour	3,00,000	40,000	60,000
Direct Expenses	1,00,000	20,000	20,000
Production Overhead	4,00,000	60,000	80,000
Normal Loss	5%	10%	15%
Scrap Value per unit	Rs. 4	Rs. 8	Rs. 10
Actual Output (in units)	9,500	8,400	7,500

Prepare the Process Cost Accounts and also give Abnormal Loss & Abnormal Gain Accounts.

4. LNT Builders commenced a contract to build a Seminar Hall on 01/04/2022. The Contract Price being Rs. 20,00,000. The contractor has incurred the following expenses in connection with the contract for the six months ended 30/09/2022:

Materials	6,00,000
Wages	4,00,000
Direct Expenses	20,000
Plant	1,00,000
Overhead Charges	30,000

The work of the value of Rs. 12,00,000 had been certified on 30/09/2022, of which 75% has been received in cash. Work completed but not certified was Rs. 1,05,000. Materials valued at Rs. 50,000 were on hand on 30/09/2022 and Plant was at site after allowing depreciation at 10% p.a.

You are required to prepare the Contract A/c for the six months ended 30/09/2022 after taking into account the profit to be transferred to P&L A/c as you think fit.

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total 31
 6 Marks
 [Handwritten signatures and marks]

THE NATIONAL DEGREE COLLEGE, BAGEPALLI
INTERNAL ASSESSMENT TEST – FEBRUARY-2023
B. Com III Semester – CORPORATE ACCOUNTING

Time: 1 Hour

Max Marks: 30

SECTION – A (02 Marks)

I Answer any two of the following questions:

(1x02) = 02 Marks

1. What is Underwriting of Shares?
2. Mention any two Divisible Profits.

SECTION-B (08 MARKS)

II Answer any One of the following questions:

(2x04) = 08 Marks

3. What are the advantages of Underwriting of Shares?
4. Mention the essential features of Goodwill.

SECTION-C (10 MARKS)

III Answer any One of the following questions:

(1x10) = 10 Marks

5. TRUPTHI CO. LTD. issued 1,00,000 Equity Shares of Rs. 100 each. M, N, O and P underwrite the entire issue in the proportion of 40%, 30%, 20% and 10% respectively in consideration of commission @ 4%. They also apply 'firm' for shares as follows:

A = 3,000 shares; B = 2,000 shares; C = 2,000 shares and D = 3,000 shares.

Besides the 'firm' applications from the underwriters, the public apply for 60,000 shares of which marked applications are as follows:

A = 10,000 shares; B = 6,000 shares; C = 8,000 shares and D = 16,000 shares.

Show the number of shares to be taken up by each of the underwriters assuming firm applications as marked.

6. The Balance Sheet of SADANAND LTD. as on 31/3/2021 was as follows:

EQUITY & LIABILITIES	Rs.	ASSETS	Rs.
Share Capital: 10,000 12% R.P.S. of Rs. 10 each, Rs. 8 paid up	80,000	Sundry Assets	2,80,000
20,000 E/Shares of Rs. 10 each	2,00,000	Investments	30,000
Profit & Loss A/c	58,000	Cash at bank	70,000
Sundry Creditors	42,000		
	3,80,000		3,80,000

The Directors have given a notice to redeem the Preference Shares at a premium of 5% as provided in the Articles of Association. Investments have been sold for Rs. 25,000.

Make up Journal Entries and a summarized Balance Sheet after redemption

SECTION-D (08 MARKS)

VI Answer any One of the following questions:

(1x08) = 08 Marks

7. WELL DONE CO. LTD. Issued 60,000 shares of Rs. 10 each. These shares were underwritten as follows:

A = 36,000 shares; B = 15,000 shares and C = 9,000 shares.

In addition, there was firm underwriting as follows:

A = 4,800 shares B = 1,800 shares and C = 6,000 shares.

Total subscriptions received by the company (excluding firm underwriting and marked applications) were 9,000 shares, marked applications were as follows:

A = 6,000 shares, B = 12,000 shares and C = 3,000 shares.

Determine the liability of the underwriters.

8. The following information is given:

Capital Employed Rs. 24,00,000.

Normal rate of return 8%.

Present value of annuity of Re. 1 for five years at 8% = Rs. 3.78.

Net Profits for five years:

2010 = Rs. 2,30,400, 2011 = Rs. 2,46,400, 2012 = Rs. 2,70,400, 2013 = Rs. 2,78,400 & 2014 = Rs. 2,86,400.

The profits included non-recurring profits of Rs. 10,000

You are required to calculate goodwill:

As per Annuity method.

As per 5 year's purchase of Super Profits method and

As per Capitalization of Super Profits method.

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Room No. 15

II Bcom III sem

B, C Sections

130 → 01 = 31

Scripts

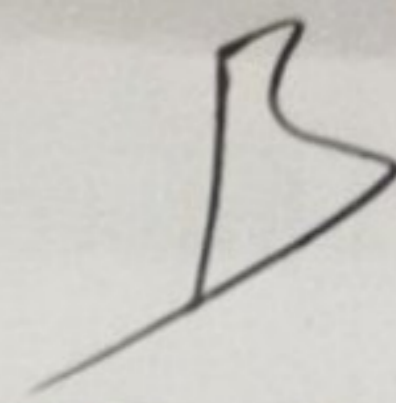
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Sub:

Corporate Accounting

Corporate

THE NATIONAL DEGREE COLLEGE, BAGEPALLI
INTERNAL ASSESSMENT TEST-JANUARY-2023
B. Com IV Semester - Cost Accounting (N.E.P.)



Time: 1 Hour.

Max Marks-20

SECTION-A (2 Marks)

I Answer any One of the following Questions (1X2) 2 Marks

1. What do you mean by Costing?
2. Find prime cost:- Direct materials-5,000. Labour-6,000. Carriage outward:2,500?

SECTION B (4 Marks)

II Answer any one of the following Questions (1X4) 4 Marks

3. Briefly explain various methods of Costing.
4. State any 4 difference between cost accounting and financial accounting

SECTION C (6 Marks)

III Answer any One of the following Questions (1X6) 6 Marks

5. From the following information for the month of January, prepare a cost sheet to show the following components.(a)Prime cost,(b) Factory cost, (c) Cost of Production (d) Total cost.

Direct material	20000	Director's remuneration	1,500
Direct wages	28,500	Telephone and postage	2000
Factory rent and rates	2,500	Printing & stationery	1000
Office rent and rates	2500	Legal charges	800
Plant repairs,maintenance	3500	Advertisement	2500
Plant depreciation	3600	Salesmen's salary	3000
Factory lighting	4500	Showroom rent	2000
Factory manager's salary	4000	Sales	1,40,000
Office salaries	1,600		

6. From the following figures, prepare a Reconciliation Statement and determine financial profit:

Particulars	Rs.
Net profit as per costing books.	65,500
Factory overhead under-recovered in costing	2,000
Administration overhead recovered in excess	4,000
Depreciation charged in financial books	3,660

Depreciation recovered in costing	3,950
Interest received but not included in costing	450
Income-tax provided in financial books	600
Bank interest credited in financial books	230
Stores adjustment (credited in financial books)	420

SECTION D (8 Marks)

III Answer any One of the following Questions (1X 8) 8 Marks

7. The net profit as per financial accounts of a company amounted to Rs.18,550. While the profits as per cost accounts were Rs.28,660. On reconciling the figures, the following were noted:

- (i) Director's fees not charged in cost accounts Rs. 1,050.
- (ii) A provisions for bad and doubtful debts Rs.970.
- (iii) Bank interest credited Rs.30.
- (iv) Provision for Income-tax Rs.8,300.
- (v) Over-recovery of overheads in cost accounts Rs.180.

Prepare Reconciliation Statement.

8. The following expenses were incurred during the year ended 31/12/2021:

	Rs.
Direct Materials	5,000
Direct Wages	3,000
Chargeable Expenses	2,000
Factory Overhead	3,000
Administrative Overhead	4,000
Selling & Distribution Overhead	3,000
Sales for the year 2021	25,000

Prepare a Statement showing the Profit earned for 2021 & an estimate for 2022 considering that:

- (a) Materials, Wages & Chargeable Expenses will be Rs. 8,000, Rs. 10,000 & Rs. 2,000 respectively.
- (b) The various overheads will be recovered on the following basis: Factory Overhead as a % of Direct Wages, Office & Selling Overhead as a % of Factory Cost.
- (c) Profit percentage on Sales remains unchanged.

*****GOOD LUCK*****