

(Pages : 4)

N – 1481

Reg. No. :

Name :

Sixth Semester B.Com. Degree Examination, April 2022

First Degree Programme under CBCSS

Core Course : CO 1641/CX 1641/TT 1641/HM 1641/CC 1641

AUDITING

(2018 & 2019 Admission)

**(Common for Commerce/Commerce and Tax Procedure and
Practice/Commerce and Tourism and Travel Management/Commerce and
Hotel Management and Catering/Commerce with Computer Applications)**

Time : 3 Hours

Max. Marks : 80

SECTION – A

Answer **all** questions in **one** or **two** sentences each. **Each** question carries **1** mark.

1. Define auditing.
2. What is an error of principle?
3. What are the firms suitable for final audit?
4. What are audit standards?
5. What is primary voucher?
6. What are the vouchers that are necessary to vouch receipt from debtors?
7. What is inventory?

P.T.O.

8. Who is a Chartered Accountant?
9. Who appoints the first auditor of a company?
10. What is investigation?

(10 × 1 = 10 Marks)

SECTION – B

Answer any **eight** questions in not exceeding one paragraph each. Each question carries 2 marks.

11. What is teeming and lading?
12. What is defalcation of goods?
13. What is internal audit?
14. What is an 'Audit Note Book'?
15. What is current audit file?
16. Define audit programme.
17. What are the advantages of internal check to the business?
18. What is internal control?
19. What are the essentials of valid voucher?
20. What is the objective of vouching of outstanding liabilities?
21. What is verification?
22. What is rotation of auditors?
23. What is liability for negligence?
24. What is clean audit report?
25. When a qualified report is to be issued?
26. Distinguish between auditing and investigation.

(8 × 2 = 16 Marks)

SECTION – C

Answer any **six** questions in not exceeding **120** words each. **Each** question carries **4** marks.

27. What are the objectives of auditing?
28. Explain the concept of auditors' independence.
29. What is tax audit?
30. What are the advantages of working papers?
31. What are the principles of internal check?
32. Distinguish between verification and vouching?
33. Explain the procedure for vouching cash sales.
34. How trade creditors are verified?
35. What is the status of a company auditor?
36. What are the feature of an audit report?
37. Write a note on remuneration of auditor.
38. What special considerations an auditor must bear in mind while conducting investigation?

(6 × 4 = 24 Marks)

SECTION – D

Answer any **two** questions in not exceeding **four** pages each. **Each** question carries **15** marks.

39. What is continuous audit? What are its advantages and disadvantages?
40. What is internal check? Describe a good internal check as to wages.

41. "In vouching payments, the auditor does not merely seek proof that money been paid away". Comment.
42. Discuss in detail the general auditing standards.
43. Discuss briefly the liabilities of an auditor.
44. Explain in brief the procedure as regards investigation of suspected fraud as to cash.

(2 × 15 = 30 Marks)

Reg. No. :

Name :

Sixth Semester B.Com. Degree Examination, April 2022

First Degree Programme under CBCSS

Core Course : CO 1643/CX 1643/TT 1643/HM 1643/CC 1643

MANAGEMENT ACCOUNTING

(2018 & 2019 Admission)

(Common for Commerce/Commerce and Tax Procedure and Practice/Commerce and Tourism and Travel Management/Commerce and Hotel Management and Catering/Commerce with Computer Applications)

Time : 3 Hours

Max. Marks : 80

SECTION – A

Very Short answer. Answer **all** questions. **Each** question carries **1** mark. (one sentence to maximum **two** sentences).

1. Define management accounting.
2. Define Fund flow statement.
3. What is capital budgeting?
4. What is pay-back period?
5. Define capital rationing.
6. What is budget?
7. What is functional budget?

P.T.O.

8. What is risk?
9. What is cash flow statement?
10. What is cost benefit analysis?

(10 × 1 = 10 Marks)

SECTION – B

Short Answer. Answer **any eight** questions. Each question carries **2** marks.
(Not to exceed **one** paragraph)

11. List the functions of budget committee.
12. What is master budget?
13. What is zero based budget?
14. What is decision tree?
15. Define decision making.
16. Give five example for application of fund in business.
17. What are the limitations of cash flow statements?
18. What are the advantages of Net Present Value method?
19. List out the importance of capital budgeting.
20. What are the importance of management accounting?
21. Define opportunity cost.
22. Prepare provision for taxation account from the following information.

Opening provision - Rs. 40,000, Provision created during the year - Rs. 25,000,
Income tax paid — Rs. 30,000.

23. A chemical company has net sales of Rs. 50 lakhs, cash expenses (including taxes) of Rs.35 lakhs and depreciation expenses of Rs.5 lakhs. If debtors decrease over the period by Rs.6 lakhs, what is its cash from operations?
24. XYZ reported a net income of Rs. 45,25,000. During the year, it wrote off Rs. 4,25,000 in depreciation and Rs. 2,35,000 in amortization costs. It also earned interest of Rs. 7,00,000 on its investment portfolio. Compute funds from operations.
25. Calculate collection from debtors from the following information.
- Opening debtors - Rs. 20,000, Credit sales - Rs. 4,40,000, Bills drawn - Rs. 4000, Closing debtors - Rs. 46,000
26. A project costs Rs.1,00,000 and yields an annual cash inflow of Rs. 20,000 for 8 years. Calculate its pay-back period.

(8 × 2 = 16 Marks)

SECTION – C

Short Essay. Answer any six questions. Each question carries 4 marks. (Not to exceed 120 words).

27. What are the characteristics of management accounting?
28. Distinguish between fund flow statement and cash flow statement.
29. What is budget manual? What does a budget manual contains?
30. What is capital expenditure control? What are its objectives?
31. Distinguish between fixed budget and flexible budget.
32. Differentiate between cost benefit analysis and cost effectiveness analysis.

33. From the following figures prepare raw material purchase budget for January 2018

	Materials in units			
	A	B	C	D
Estimated stock on Jan 1	16,000	6,000	24,000	2,000
Estimated stock on Jan 31	20,000	8,000	28,000	4,000
Estimated consumption	1,20,000	44,000	1,32,000	36,000
Std. Price per unit	0.25	0.05	0.15	0.10

34. From the following balances you are required to calculate cash from operation.

	31.12.2012	31.12.2013
Debtors	50,000	47,000
Bills receivable	10,000	12,500
Creditors	20,000	25,000
Bills payable	8,000	6,000
Outstanding expenses	1,000	1,200
Prepaid expenses	800	700
Accrued income	600	750
Income received in advance	300	250
Profit made during the year	-	1,30,000

35. From the following profit and loss account, compute the funds from operations :

Profit and Loss account

	Rs.		Rs.
To Salaries	5,000	By Gross Profit b/d	1,000
To Rent	2,000	By Rent	5,000
To Depreciation	1,000	By Interest on Investments	4,000
To Preliminary expenses	2,000	By Net loss	5,000
To Loss on sale of land	5,000		
	<u>15,000</u>		<u>15,000</u>

36. Calculate net cash flows from investing activities from the following information :

31.2.2017 31.3.2018

Buildings (w.d.v) 6,00,000 7,50,000

Additional Information :

- (a) Building costing Rs. 1,00,000 on which Rs. 30,000 had accumulated as depreciation was sold for Rs. 60,000.
- (b) Depreciation charged on buildings for the year ended 31.3.2018 Rs. 50,000.
37. Cash flow of a certain project along with cash outflow are given below:

Year	Outflow	Inflow
0	1,50,000	—
1	30,000	20,000
2		30,000
3		60,000
4		80,000
5		30,000

Required rate of return is 10%. The salvage value at the end of the fifth year is Rs. 40,000. Calculate the NPV.

38. From the information given below, prepare a manufacturing overhead budget for the quarter ending December 31, 2018 :

Budget output during the quarter : 5,000 units

Fixed overheads : Rs. 30,000

Variable Overheads (varying at the rate of Rs. 5 per unit) : Rs. 15,000

Semi-Variable Overheads (40% fixed and 60%varying @ Rs. 3 per unit)

(6 × 4 = 24 Marks)

SECTION – D

Long Essay. Answer **any two** questions. Each question carries **15** marks.

39. What are the objectives and scope of management accounting?
40. What are the requisite for the good budgetary control system? What are its essentials?
41. From the following Balance Sheets of the Company for the ending 31st December 2016 and 31st December 2017, prepare schedule of changes in working capital and a statement showing sources and application of funds.

Liabilities	2016 Rs.	2017 Rs.	Assets	2016 Rs.	2017 Rs.
Share capital	3,00,000	4,00,000	Plant and machinery	50,000	60,000
Sundry creditors	1,00,000	70,000	Furniture and Fixtures	10,000	15,000
P/L A/c	15,000	30,000	Stock-in-trade	85,000	1,05,000
			Debtors	1,60,000	1,50,000
			Cash	1,10,000	1,70,000
	<u>4,15,000</u>	<u>5,00,000</u>		<u>4,15,000</u>	<u>5,00,000</u>

42. From the summary Cash Amount of Sunny Ltd. prepare Cash Flow Statement for the year ended 31st March, 2018 using the direct method. The company does not have any cash equivalents.

Summary Cash Account
(For the year ended 31.3.2018)

	Rs.		Rs.
Balance on 1.4.2017	1,00,000	Payment of suppliers	40,00,000
Issue of equity shares	6,00,000	Purchase of fixed assets	4,00,000
Receipts from customers	56,00,000	Overhead expenses	4,00,000
Sale of fixed assets	2,00,000	Wage and salaries	2,00,000
		Taxation	5,00,000
		Dividend	1,00,000
		Repayment of bank loan	6,00,000
		Balance on 31.3.2018	3,00,000
	<u>65,00,000</u>		<u>65,00,000</u>

43. Initial Investment	Rs. 60,000
Life of the asset	4 years
Estimated Net Annual Cash flows :	Rs.
1 st Year	15,000
2 nd Year	20,000
3 rd Year	30,000
4 th Year	20,000

Calculate Internal Rate of Return

44. PCT Ltd. provides you the following information at 80% capacity:

Production and Sales	2,000 units
Direct material	Re. 1.00 per unit
Direct labour	Re. 1.00 per unit
Direct expenses	Re. 0.80 per unit
Factory overheads (15% variable)	Rs. 2.00 per unit
Administrative overheads (80% fixed)	Rs. 2.00 per unit
Selling overheads (25% variable)	Rs. 2.00 per unit
Total cost	Rs. 8.80 per unit
Profit per unit	Rs. 1.20 per unit
Selling Price	Rs. 10.00 per unit

Required : Draw up a Flexible Budget at 60% and 90% capacity.

(2 × 15 = 30 Marks)

(Pages : 4)

N – 1506

Reg. No. :

Name :

Sixth Semester B.Com. Degree Examination, April 2022

First Degree Programme Under CBCSS

CO 1661.8/CX 1661.3/TT 1661.3/CC 1661.3/HM 1661.3

STRATEGIC MANAGEMENT

**(Common for Commerce/Commerce & Tax Procedure and Practice/
Commerce and Tourism and Travel Management / Commerce with
Computer Applications/Commerce and Hotel Management and Catering)**

(2018 & 2019 Admission)

Time : 3 Hours

Max. Marks : 80

SECTION – A

Answer **all** questions in **one** or **two** sentences. **Each** question carries **1** mark.

1. Define the term Strategy.
2. What is Strategy Formulation?
3. What is Mission?
4. What is Vertical Integration?
5. Give the expansion of SPACE.
6. What is Blue Ocean Strategy?
7. What is Synergy?

P.T.O.

8. What is Du Pont Control Chart?
9. What is Strategic Evaluation?
10. What is Basic Strategies?

SECTION – B

(10 × 1 = 10 Marks)

Answer any **eight** questions, in not exceeding one paragraph each. Each question carries 2 marks.

11. What are the characteristics of Strategic Management?
12. Explain the need for Strategy.
13. What are the characteristics of Strategic intent?
14. Differentiate the term Goals and Objectives?
15. What do you mean by Incremental Growth Strategy?
16. Explain integration strategy.
17. Difference between Merger and Acquisition.
18. Write the merits of Strategic Alliance from the view point of invested company.
19. What is Disinvestment Strategy?
20. What is Generic Business Strategy?
21. Explain ETOP.
22. Explain criteria for evaluating Strategic Alternatives.
23. What do you mean by Strategic Control?

24. Explain Time Related Control methods used for Strategic Control System.
25. What are the Minitzberg 5 P's of Strategy?
26. Explain CAP

(8 × 2 = 16 Marks)

SECTION – C

Answer any **six** questions, in not exceeding 120 words. Each question carries 4 marks.

27. Explain the benefits of Strategic Management towards business organization.
28. Explain the characteristics of Strategic Intent.
29. Discuss the essentials of a good mission statement.
30. Explain the elements followed in a good vision statement.
31. Give a brief note about Stability Strategy.
32. List out different types of Integration applied in Integration Strategy.
33. Briefly explain the merits of Strategic Alliance from the angle of host country and guest country.
34. Explain SWOT Analysis.
35. What do you understand the term Synergy and its types?
36. Explain steps in Strategy Implementation.
37. Explain interrelationship between Strategy Formulation and Implementation.
38. What are the barriers involved in the stage of Strategic Evaluation and Control?

(6 × 4 = 24 Marks)

SECTION – D

Answer **any two** questions in not exceeding **four** pages each. Each question carries **15** marks.

39. Explain Strategic Evaluation Process.
40. Explain various stages in the process of Strategic Management.
41. Explain SWOT Analysis and TOWS Matric.
42. Explain the term Strategic Analysis and its contents.
43. Explain the term Strategic Management and its Process.
44. Explain the term Corporate Portfolio Analysis. What are the important Portfolio Analysis?

(2 × 15 = 30 Marks)

(Pages : 3)

N – 1663

Reg. No. :

Name :

Sixth Semester B.Com. Degree Examination, April 2022
Career Related First Degree Programme Under CBCSS
Group 2(a) – Commerce and Tourism and Travel Management
Vocational Course – X
TT 1672 : ACCOUNTING FOR TOURISM ORGANISATIONS
(2018 & 2019 Admission)

Time : 3 Hours

Max. Marks : 80

PART – A

Answer **all ten** questions in not exceeding 1-2 sentences each. Each question carries 1 mark.

1. What are the uses of a voucher in Hotel Industry?
2. What is Central Reservation System?
3. Define a domestic tourist.
4. Define negotiation, in tourism.
5. Name two examples for miscellaneous cost in tourism.
6. Name the elements of a package tour.
7. What is documentation?
8. Where the head office of TFCI is located?
9. What does AGT stands for?
10. What is a ledger?

(10 × 1 = 10 Marks)

P.T.O.

PART – B

Answer **any eight** questions in not exceeding one paragraph each. **Each** question carries **2** marks.

11. What is an escorted tour?
12. What are the various sources of reservation?
13. What is GDS?
14. List out some major do's of itinerary preparation.
15. Mention any two features of itinerary for GIT.
16. What is a tour programming?
17. Explain the various hotel meal plans.
18. What is indirect cost?
19. What is a tour voucher?
20. What is bookkeeping?
21. List out the institutes involved in the setting up of TFCI.
22. What are the various types of bookkeeping?
23. What are the various pricing strategies?
24. What is docketing in tour packaging?
25. Explain the importance of credit card transaction.
26. Define the term 'Pax'.

(8 × 2 = 16 Marks)

PART – C

Answer **any six** questions in not exceeding **120** words (short essay). **Each** question carries **4** marks.

27. Draw the format of cancellation slip?
28. What are the various functions of reservation?

29. Write the difference between an Cancellation and Amendment.
30. How the Itinerary is classified?
31. What are background information required while preparing an itinerary?
32. Prepare an itinerary for a domestic tourist.
33. What is the major difference between an FIT and GIT package tour.
34. What are the components of tour costing?
35. Differentiate fixed and variable cost.
36. What are the functions of TFCI?
37. Explain the various approaches on calculation of tour pricing.
38. Hosted tour, means?

(6 × 4 = 24 Marks)

PART – D

Answer **any two** questions in not exceeding four pages (long essay) each. Each question carries **15** marks.

39. Write an essay on procedure for domestic hotel reservation.
40. Describe about tour itinerary and its importance in a tour.
41. 'A Tour Brochure', How it can be done in most attractive way. Explain.
42. Explain concept of tour cost.
43. Write an essay on TFCI, and its functions.
44. Summarize on RBI regulations regarding the foreign exchange transactions.

(2 × 15 = 30 Marks)

(Pages : 4)

N – 1660

Reg. No. :

Name :

Sixth Semester B.Com. Degree Examination, April 2022
Career Related First Degree Programme under CBCSS
Group 2(a) – Commerce and Tourism and Travel Management

Vocational Course IX:

**TT 1671: TRAVEL AGENCY, TOUR OPERATION AND AIRLINE
MANAGEMENT**

(2018 & 2019 Admission)

Time : 3 Hours

Max. Marks : 80

SECTION – A

Answer **all ten** questions in not exceeding **one** or **two** sentences each. **Each** question carries **1** mark.

1. Identify the letter code used for Business Class in an airline.
2. Identify the Head Quarters of IATA?
3. Expand ICAO.
4. Define MCO.
5. In which Traffic Conference area the Country Mexico is situated?
6. Identify the IATA three letter code of Delhi.
7. What is the airline code of American Airlines?

P.T.O.

8. Identify the GMT of India.
9. Expand IDL.
10. Identify the letter code used for Diplomatic Passport.

(10 × 1 = 10 Marks)

SECTION – B

Answer any **eight** questions in not exceeding one paragraph each. **Each** question carries **2** marks.

11. Define Tour guide.
12. Discuss the types of Travel Agencies.
13. What is Schengen Visa?
14. What is meant by Destination Management Company?
15. Shortly write about the different kinds of Guides
16. Define Diplomatic Passport.
17. Define Tour Operator.
18. Define Tourist Visa.
19. List out the countries included in TC 1
20. What is EBT?
21. What is meant by MICE Tourism?
22. What is GMT?
23. What is Daylight Saving Time?
24. What is Group Inclusive Travel (GIT)?

25. Write about the different classes in an airlines.

26. Write about the role of Travel Desk in a Hotel.

(8 × 2 = 16 Marks)

SECTION – C

Answer any **six** questions in not exceeding 120 words [short essay] each. **Each** question carries **4** marks.

27. Write about the types of tour operators.

28. Detail about the seven Golden principals of Tour Guiding.

29. Write in detail about the relationship between Thomas Cook and organized travel.

30. Discuss the do's and Do not's of an Itinerary.

31. Write about the background informations needed for preparing an itinerary.

32. Explain different types of itineraries.

33. Detail about the role of IATA in Travel Agency Approval.

34. Explain the Sources of Income in Tour Operation Business

35. Explain about the concept of international time calculation and different time zones.

36. Explain the different guiding techniques used in Pre-Tour, On-Tour and Post-Tour situations.

37. Detail about different types of Passports.

38. Detail the Traffic conference areas introduced by IATA.

(6 × 4 = 24 Marks)

SECTION – D

Answer any **two** questions in not exceeding four pages [long essay] each. **Each** question carries **15** marks.

39. Explain about the Functions of Travel Agency.
40. Write in detail about the aims and objectives of ICAO.
41. Explain the recent trends in Tour Operation Business.
42. Detail about the steps to be taken during the preparation of an effective Tour Package.
43. Explain the steps in setting up of a travel Agency.
44. Explain the reservation policies towards children, infants, disabled and restricted passengers traveling in airlines.

(2 × 15 = 30 Marks)

(Pages : 7)

N – 1826

Reg. No. :

Name :

Sixth Semester B.Com. Degree Examination, April 2022

First Degree Programme Under CBCSS

Core Course : CO 1642 / CX 1642 / TT 1642 / HM 1642 / CC 1642

APPLIED COSTING

(2018 & 2019 Admission)

(Common for Commerce/Commerce and Tax Procedure and Practice/Commerce and Tourism and Travel Management/ Commerce and Hotel Management and Catering/ Commerce with Computer Applications)

Time : 3 Hours

Max. Marks : 80

SECTION – A

Very short answer. Answer **all** questions. Each question carries **1** mark. (**One** sentence to maximum **two** sentences.)

1. What is batch costing?
2. Write any two industries using job costing.
3. What is contract costing?
4. Write any two examples for composite cost unit.
5. What is marginal costing?
6. What is joint product?
7. What is De-escalation clause?

P.T.O.

8. Define standard costing.
9. What is contribution?
10. Define service costing.

(10 × 1 = 10 Marks)

SECTION – B

Short answer. Answer any **eight** questions. Each question carries **2** marks. (Not to exceed **one** paragraph)

11. Write any three features of job costing.
12. What is a job ticket?
13. Write two features of batch costing.
14. What is the meaning of work certified?
15. What is notional profit in contract account?
16. Define process costing.
17. What is the meaning of abnormal loss?
18. What is the meaning of inter-process profit?
19. What are the two features of by-product?
20. What is subsequent cost?
21. Write two objectives of canteen costing.
22. What is CVP analysis?
23. What is margin of safety?

24. Essentials for the applicability of standard costing system.

25. What is basic standard?

26. What is variance analysis?

(8 × 2 = 16 Marks)

SECTION – C

Short Essay. Answer any **six** questions. Each question carries **4** marks. (Not to exceed **120** words)

27. Distinguish between job costing and process costing.

28. What are the procedures involved in process costing?

29. What is by-product? What are the accounting treatment of by-product?

30. What are the difference between standard costing and Budgetary control?

31. Enumerate features of marginal costing.

32. What are the objectives of transport costing?

33. Job No. 2198 was commenced on 10th October, 2018 and completed on 1st November, 2018. Materials used were Rs. 600 and labour charged directly to the job was Rs. 400. Other informations were as follows:

Machine No. 215 used for 40 hours; the machine hour rate is Rs. 3.50

Machine No. 169 used for 30 hours; the machine hour rate is Rs. 4

Six welders worked on the job for 5 days of 8 hours each; the direct labour hour rate for welders is 20 paise.

Other expenditures of the concern not apportioned for calculating the machine hour or the direct hour rates-amounted to Rs. 20,000, total direct wages for the period being Rs. 20,000. Ascertain the Works Cost of job No. 2198.

34. From the following information, calculate Economic Batch Quantity for a company using batch costing :

Annual Demand for the components	2400 units
Setting up cost per batch	Rs. 100
Manufacturing cost per unit	Rs. 200
Carrying cost per unit	6% p.a.

35. Calculate Contribution in each of the following cases:

Case (a) Selling Price Per Unit Rs. 10, Variable Cost Per Unit Rs. 6

Case (b) Total sales Rs. 6,000, Total Variable Cost Rs. 3,600

Case (c) Fixed Costs Rs. 2,000, Profit Rs. 400

Case (d) Fixed Costs Rs. 2,000, Profit .0

Case (e) Fixed Costs Rs. 2,000, Loss Rs. 400

36. From the following information, find out equivalent production assuming there is no opening work-in-progress.

Units introduced	4,000 units	
Output	3,000 units	
Closing work-in-progress	1,000 units	Degree of completion
Materials		80%
Labour		70%
Overhead		70%

37. From the following information, calculate the (a) Effective kilometres p.a.; (b) Effective passenger kilometres p.a.; (c) Total fuel consumption; and (d) Total cost of fuel; (e) Cost of fuel per kilometre

Distance of one way route	40 kilometres
Round trips per day	3
Days operated in a month	25
Seating capacity	50 passengers
Seating capacity occupied	80%
Fuel consumption	1 litre per 6 kms
Rate of fuel	Rs. 15 per litre

38. Fifty units are introduced into a process at a cost of Rs. 50. The total additional expenditure incurred in the process is Rs. 30. Of the units introduced, 10% are normally spoiled in the course of manufacture, these possess a scrap value of Re. 0.25 each. Owing to an accident, only 40 units are produced. You are required to prepare a Process Account and Abnormal Wastage Account.

(6 × 4 = 24 Marks)

SECTION – D

Long Essay. Answer any two questions. Each question carries 15 marks.

39. What are the managerial applications of marginal costing?
40. A canteen in a college serves fixed lunch to its customers and provides you the following information for the month of April 2018

Wheat flour	9,000
Vegetables	4,500
Oil	3,600
Spices etc.	900
Wages of cook	3,000
Wages of Kitchen assistant	2,400
Wages of waiter	1,500
Gas	1,500
Water	300
Power and lighting	750
Crockery	225
Cleaning materials	150
Rent	2,175
No. of lunch served	1,560

(including 60 served to Drivers and Conductors)

Profit margin 33.33 % on sales

It is the policy to serve drivers and conductors free of charge

Required: Calculate the selling price to be charged for each Lunch.

41. PQR. Ltd. was engaged on one contract during the year 2018. The contract price was Rs. 2,00,000. The trial balance extracted from the books on 31st December 1995 stood as follows:

	Rs.	Rs.
Share capital		40,000
Sundry creditors		4,000
Building	17,000	
Cash at bank	4,500	
Contract account :		
Materials	37,500	
Plant	10,000	
Wages	52,500	
Cash received from contractee (80% of certified work)		80,000
Expenses :	2,500	
	1,24,000	1,24,000

Of the plant and materials charged to the contract, plant costing Rs. 1,500 and materials costing Rs. 1,200 were destroyed by an accident. On 31-12-18 plant costing Rs. 2,000 was returned to stores and material at site was valued at Rs. 1,500. Cost of uncertified work was Rs. 1,000. Charge 10% depreciation on plant. Prepare Contract A/c for the year 1995 and Balance Sheet as on 31-12-18.

42. JK Ltd. produces a product "AZE", which passes through two processes, viz., process I and process II. The output of each process is treated as the raw material of the next process to which it is transferred and output of the second process is transferred to finished stock. The following data related to December, 2018:

	Process I	Process II
25,000 units introduced at a cost of	2,00,000	
Material consumed	1,92,000	96,020
Direct labour	2,24,000	1,28,000
Manufacturing expenses	1,40,000	60,000
Normal wastage of input	10%	10%
Scrap value of normal wastage (per unit)	9.90	8.60
Output in units	22,000	20,000

Required :

- (a) Prepare Process I and Process II account
- (b) Prepare Abnormal wastage account.

43. PCT Ltd. provides you the following information :

	Year 2018	Year 2019
Total Sales	Rs. 20,000	Rs. 30,000
Total cost	Rs. 17,600	Rs. 21,600

Required: Calculate the following:

(a) the Profit/volume ratio; (b) Fixed costs; (c) Break-Even Point; (d) Margin of safety; (e) the Amount of profit/loss when sales are Rs. 50,000; (f) the Amount of sales required to earn a profit of Rs. 59,040; (g) the Amount of sales required to earn profit @ 10% on sales; (h) the Amount of profit for the year 2020 after taking into consideration the 10% decrease in selling price but 20% increase in physical sales volume and fixed costs.

44. Calculate all the Material Cost Variances from the following information provided by Tulsian Ltd.:

	Standard		Actual	
	Qty.	Unit price	Qty.	Unit price
Material 'A'	60%	Rs. 20	44 kg	Rs. 25
Material 'B'	40%	Rs. 10	66 kg	Rs. 5

Standard processing loss 10%

Actual Output 90 kg.

(2 × 15 = 30 Marks)