

B.C.C.A. (CBCS Pattern) Semester - III
UBCCAT302 - Cost Accounting

P. Pages : 4

Time : Three Hours



GUG/S/23/10627

Max. Marks : 40

- Notes : 1. All questions are compulsory.
2. All questions carry equal marks.

1. a) Distinguish between cost accounting and financial accounting. 4

b) Mr. Nikhil furnished the following data relating to manufacturing of standard product during the month Nov 2022 4

Raw material purchased	Rs. 15,000
Direct labour	Rs. 9,000
Machinery hour works	900 Hours
Machinery hour rate	Rs. 5

Administrative overhead 20% on work cost selling overhead (0.50 per unit)

Unit produce 17,100, unit sold 16,000 at rate of ₹ 4 per unit.

You are required to prepare cost sheet.

OR

c) Following one of the particulars for the production of 2000 sewing machine of Radheshyam engineering Ltd. for the year ending 31st March 2022- 8

Particulars	Rs.
Cost of material consumed	1,60,000
Wages	2,10,000
Manufacturing Expenses	1,00,000
Salaries	1,20,000
Rent & Tax	20,000
General expenses	40,000
Selling Expenses	60,000
Sales	8,00,000

Company plan to manufacturing 4000 sewing machine during year 2022-23 submit a statement showing the price at which machine would be marketed so, as to show a profit 10% on cost price.

Following additional information is supplied to you,

- 1) Price of material will be rise by 20% on the previous year used
- 2) Wages rate will rise by 5%
- 3) Manufacturing expenses will rise in proportion to the combined cost of material & wages.
- 4) Selling expenses per unit will remain the same
- 5) Other expenses will remain unaffected by rise in output.

2. a) From the following information of Mr. Pankaj Enterprises, prepare the reconciliation statement. 4

- 1) Profit as per cost Book ₹11,040
- 2) Factory overhead in cost Book ₹ 19,200 & Actual factory expenses in financial A/c ₹24,000
- 3) Administration overhead in cost A/c ₹6,000 & Actual Administration Exp. in financial A/c ₹9,000.
- 4) Closing stock of cost Book of ₹21,240 and in financial Books ₹20,400.

- b) Net profit shown by financial A/c of a company to ₹18,550 while profit disclosed by cost A/c for same period were ₹28,660. After comparing the book following points were noted. 4

1) Directors fees not charged in cost A/c	₹650
2) Provision for Bad debts.	₹570
3) Bank interest (cr)	₹30
4) Income tax	₹8,300
5) Overhead overcharged in cost A/c	₹180
6) Depreciation charged on machinery	₹16,000

5% only financial A/c of company.

OR

- c) From the following particulars prepare – 8

- 1) Cost statement
- 2) Profit & Loss A/c
- 3) Reconciliation statement.

Opening stock of Raw material	₹1,44,000
Opening stock of finished goods	Rs. 2,88,000
Closing stock of material	₹2,16,000
Closing stock of finished goods	₹72,000
Wages	₹3,60,000

Calculate factory on cost at 20% of prime cost and office on cost at 80% of factory on cost.

Actual work Exp of ₹2,27,150 and office expenses of ₹1,85,950. The selling price was fixed at 20% Above.

3. a) From the following information write process 'B' Account in the book of Neeti Co. 4
Unit transfer from process 'A' 4,000 unit at ₹ 5 each material introduced 1,000 unit at ₹ 2 each.

Wages ₹6,000
Overhead ₹3,000

There is 5% Normal wastage in process 'B' and 5% scrap is produced which is sold at ₹2 each.

2/3rd of the product of process B is transfer to process 'C' and 1/3rd product is transferred to godown at cost for sale.

- b) In factory the output passes through 'A & B' process in both process 5% of the total weight put in is lost and 10% is scrap. Which realized from process A & B ₹20 and ₹30 per ton respectively, following details are available. 4

Particular	'A'	'B'
Material consumed in ton	8,000	1,000
Cost of material per ton	30	50
Wages	₹20,000	₹10,000
Manufacturing Expenses	₹15,000	₹5,000
Prepare process account		

OR

- c) A product of a company passes through 3 process. Process A, process B & process C, to obtain three consecutive grades of the product. Details regarding to its production for the year 2020 are as follows:-

8

Particulars	Process A	Process B	Process C
Raw material used	1000 tonnes	-	-
Cost of tons	₹200 ton	-	-
Manu. Exp & wages	₹75,000	₹41,000	₹11,000
Weight lost	5%	10%	20%
Scrap sold at ₹ 50 per tones	50 tones	30 tones	51 tones
Sales price per tones	₹400	₹500	₹800

Management Expenses were Rs. 15,000. selling expenses were ₹10,000 and interest borrowed capital was ₹5,000. 2/3 output of process 'A' and 1/2 output of process B are passed on the Next process and balance was sold.

You are required to prepare process cost A/c and costing profit & Loss A/c for the year 2020.

4. a) Prepare contract account & calculate the amount which you considered reasonable to be transfer to P/L account.

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	Rs.
Contract price	10,00,000
Work certified	8,00,000
Work uncertified	60,000
Cash received from contractee 80% work certified	-
Material wages & other Exp.	5,20,000
Plant purchase	30,000
Plant in hand at the end	10,000

- b) From the Book of Nikhil Construction Company. Information of contract No. 274 is as follows:-

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	Rs.
Material	90,000
Plant	15,000
Wages	1,23,300
Office Exp.	16,450

Work on contract started on 1st April 2020. Contract price is 4,50,000 upto the date amount received on account Rs. 1,80,000 which was 80% of work certified. On 31st March 2021 material on hand 13,000. Work completed but not certified ₹4,500 charge depreciation 10% on plant. Show contract account.

OR

c) Following information relates to a Building contract for Rs. 10,00,000

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Particulars	2019 ₹	2020 ₹
Material issued	3,00,000	84,000
Direct wages	2,30,000	1,05,000
Direct Exp	22,000	10,000
Indirect Exp	6,000	1,400
Work certified	7,50,000	10,00,000
Work uncertified	8,000	-
Material at site	5,000	7,000
Plant issued	14,000	2,000
Cash Received from contractor	6,00,000	10,00,000

Value of plant at the end of 2019 & 2020 were ₹7,000 and ₹5,000 respectively.

Prepare

- 1) Contract A/c
- 2) Contract A/c for two years 2019 & 2020 taking into consideration such profit transfer to P/L A/c.

5. Short answer.

- a) Explain different between cost account & financial account. 2
- b) Explain the purpose of reconciling profit of cost a/c & financial a/c 2
- c) Name any five Industries where process costing is used. 2
- d) Explain the term of work certified & work uncertified. 2
