

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

P. Pages : 4

Time : Three Hours



GUG/W/22/10627

Max. Marks : 80

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

1. a) What is mean by cost Accounting? Explain the importance of cost Accounting. **8**
b) From the following information find out the selling price. **8**

Raw materials	Rs. 40,000
Direct wages	Rs. 20,000
Other direct expenses	Rs. 4,000

Works overhead are 80% of wages and office overheads are 20% on works cost. Profit is 25% on total cost.

OR

- c) Kanhaji Scooters Ltd, manufactured 175 scooters in the year 2019 at a production cost of Rs. 33,46,875 which he sold @ Rs. 27000 each. Analysis of cost is as follows. **16**

Particulars	Rs.
Materials	14, 35,000
Wages	16, 62,500
Works overheads	2, 49,375
Administrative overhead	2, 67,750
Selling overheads	3, 50,000

Kanhaji scooters intends to manufacture and sell 200 scooters in 2020 by reducing selling price by Rs. 1000 per scooters.

You are required to estimate per scooter profit he may earn in 2020 keep the following details in mind:

- Material cost will go up by Rs. 300 per scooters.
- Wages will go down by Rs. 400 per scooters.
- Percentage of work-on-cost to wages will remain the same as was in 2019.
- Administrative overheads will be reduced by Rs. 20 per scooters.
- Selling overheads per scooters will be reduced by 25%

2. a) Tanvi Co. Ltd. The net profit for the year ended on 31.3.2020 Rs. 96,750 as per financial books for the same period, profit as per cost books Rs. 88,600. **8**

The following information will be received after the comparing the both account prepare Reconciliation statement.

	Rs.
1) Factory overhead overcharged in cost	1,650
2) Office overhead under charged in cost	950
3) Depreciation as per cost book	7,350
4) Depreciation as per financial book	6,400
5) Interest received but not include in cost	8,000
6) Loss on sale of Scooty, not included in cost	2,800
7) Under opening stock in cost	5,600
8) Under closing stock in cost	4,300
9) Over income tax in cost	2,600

- b) The cost book of Neela Co. Ltd. Showed a net profit of Rs. 94,680 for the year ending on 31.3.2020. The following information prepare reconciliation statement.

8

Particulars	Cost Books Rs.	Financial Books Rs.
1) Opening stock	25,600	27,800
2) Closing stock	24,000	21,000
3) Dividend received	----	1,500
4) Loss on the sale of motor car	----	1,200
5) Interest payable	1,400	----
6) Goodwill written off	----	6,000
7) Selling overhead	65,000	56,000
8) Administrative overhead	45,000	53,000

OR

- c) “X” manufacturing company which commenced business on 1.1.2019, supplies you with the following information and ask you to prepare a statement showing the profit per Radio set sold; Wages and materials are to be charged at actual cost works overhead at 80% on wages and office overhead at 20% on works cost.

16

You are also required to prepare a statement reconciling the profit as shown by the profit and loss account for the month of Jan.2019 with that shown in the cost accounts.

Two types of Ratio sets were manufactured model “A” and “B”. There were no Radio sets in stock or in course of manufacture at the end of the month and the number of Radio sets sold during the month were model “A” = 1200 and model “B” = 840 the particulars given are as under.

Particulars	Model “A” Rs.	Model “B” Rs.
Materials per Radio set	80	100
Wages per Radio set	40	60
Selling price per Radio set	200	300

The works indirect expenses were Rs. 80,000 and the office expenses were Rs.70,000

3. a) The product of a manufacturing Co. Passes though two process “A” and “B” then to finished stock. This is ascertained that in each process 5% of the total weight put in is lost and 10% is scrap which from process “A” and “B” realised Rs.80 per ton and Rs.200 per ton respectively. Prepare process account showing the cost of output of each process and cost per ton.

8

Particulars	Process “A”	Process “B”
Materials consumed in tons	1000	70
Cost of materials per ton Rs.	125	200
Wages Rs.	18,000	12,000
Manufacturing expenses Rs.	6,000	5000

- b) A product pass through two process “X” and “Y” from the following information prepare process account.

8

Particulars	Process “X” Rs.	Process “Y” Rs.
Materials consumed	60,000	30,000
Direct labour	70,000	40,000
Manufacturing expenses	19,500	20,240
Input 5000 units in process “X”	50,000	-----
Normal wastage	5%	10%
Scrap	10%	20%
Scrap value per unit Rs.	200	80

OR

- c) The following particulars are taken from the books of an oil mill for the month of Dec.2020. Purchase of 100 tons of oil seeds at Rs.10,000 per tons.

16

Particulars	Crushing Rs.	Refining Rs.	Finishing Rs.
Wages	10,000	7,000	9,000
Store used	2000	6,000	1,000
Power	4000	3500	2000
Steam	3000	2500	2000
Factory overhead	5000	4000	3000
Containers	-----	-----	23,500

- 60 tons of crude oil were produced.
 - 51 tons of oil were produced in the refining process.
 - 50 tons of refinery oil were finished for delivery empty bags of oil seed were sold for Rs.1000
 - 35 tons of oil cake was sold at Rs.600 per tons. Loss in Weight in crushing tones.
 - 8.5 tons of by products from the refinery process were valued at Rs.25,500.
- Prepare process account in respect of each process and calculate the cost of production per ton at the end of each process.

4. a) The following was the expenditure of Mr. Asangha Co. Ltd. Up to 31.12.2020 on a contract for Rs,50,00,000, commenced on 1st July 2020

8

	Rs.
Materials	10,00,000
Wages	13,50,000
Supervision	5000
Plant	1,80,000
Other Charges	75,000

Cash received from the contractee up to 31.12.2020 amounted to Rs.20,00,000 being 80% of the work certified. Work completed but not certified on 31.12.2020 amounted to Rs.80,000. The value of materials in hand at site on 31.12.2020 was Rs.15000.

Prepare the Mr. Asangha Co. Ltd.s Contract A/C showing the position on 31.12.2020 and the amount which you consider responsible to be transferred to the profit & Loss A/C after showing depreciation on plant 20% per annum.

- b) You are required to prepare the Vidisha Co. Ltd.'s contract A/C showing the profit on the contract on 31 Dec. 2020 from the following information.

8

Particulars	Rs.
Materials sent to site	1,58,000
Plant installed at site	42,000
Direct expenditure	53,800
Labour engaged on site	1,14,600
Establishment expenses	12,700
Work certified	4,66,000
Cash received from contractee	4,40,000
Value of plant 31.12.2020	33,600
Cost of work done but not certified	12,400
Direct expenses outstanding 31.12.2020	42,800
Materials in hand 31.12.2020	8,300
Wages outstanding 31.12.2020	16,500
Materials returned to store	5,000
Contract price	600,000

OR

- c) The following information relates to two contracts of Apurva Co. Ltd. In 2020.

16

Particulars	Contract "X" Rs.	Contract "Y" Rs.
Materials sent to site	1,70,698	1,46,534
Labour	1,48,750	1,37,046
Plant	30,000	25,000
Direct expenses	6,334	5,178
Establishment charges	8,252	7,704
Materials return to store	1,098	1,264
Work certified	3,90,000	2,90,000
Work uncertified	9,000	6,000
Material at site [31.12.2020]	3,766	3,472
Wages accrued [31.12.2020]	4800	4,200
Direct expenses [31.12.2020]	480	360
Value of plant [31.12.2020]	22,000	19,000

The contract price was Rs. 5,00,000 for contract "X" and Rs.4,00,000 for contract "Y".
The cash received from the contractee was 80% of the value of work certified.
Prepare for the contract account.

5. Write answer in short:

- Scope of cost accounting.
- Need of reconciliation statement.
- Principle of process costing.
- Note on certified work.

4

4

4

4
