

B.B.A. CBCS Pattern Semester-III
UCB3C06 - Cost Accounting

P. Pages : 4

Time : Three Hours



GUG/S/24/10603

Max. Marks : 80

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

1. a) Define cost accounting. Explain methods of cost accounting. 8
- b) The following data relates to the manufacture of standard product during the month of December 2022. 8
- | | |
|--|-----------|
| Raw material consumed | Rs. 15000 |
| Direct wages | Rs 9000 |
| Machine flow worked | 900 |
| Machine hour rate | Rs. 5.00 |
| Office overhead 20% on work cost | |
| Selling and Distribution over head 50 paise per unit | |
| Unit produced 17100 | |
| Unit sold 16000 @ Rs. 4 | |
- You are required to prepare cost sheet and net profit.

OR

- c) A manufacture of Hondo scooter find that in 2022 it cost him Rs. 616000 to manufacture 200 Honda which he sold at Rs. 4,000/- each the cost was made up of. 16
- | | |
|------------------|----------|
| | Rs |
| Raw material | 2,00,000 |
| Direct wages | 3,00,000 |
| Factory overhead | 60,000 |
| Office overhead | 56,000 |
| Profit | 1,84,000 |
- For 2023 season he estimates
- i) The each Honda scooter will require material of the value of Rs. 1000 and wages Rs. 1500.
- ii) That the factory overhead will bear the same relation to direct wages is in the previous year.
- iii) The percentage of office overhead to factory cost will be the same as in the previous year.
- Prepare a statement showing cost of production for 2023 and the profit he should make per unit if he increases the price to the Honda scooter by Rs. 80 = over the price of Last year.

2. a) From the following information you are required to prepare reconciliation statement and calculate profit as per financial books. Profit as per cost Books is Rs. 16,000

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Particulars	Financial Books Rs.	Cost Books Rs.
Raw materials:		
Opening	22,000	16,000
Closing	24,000	22,000
Finished goods:		
Opening	50,000	53,000
Closing	60,000	61,500

The following items are not appeared in cost Accounting:

	Rs.
Donation and charities paid	1,000
Profit on sale of car	2,000
Bad debts written of	500
Discount allowed	500
Discount received	400
Rent received	600

- b) From the following figures prepare reconciliation statement find out profit/loss as per financial books.

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	Rs.
i) Net loss as per cost record	9470
ii) Work overhead under recovered in cost Book	2500
iii) Administrative overhead recovered in excess	2150
iv) Depreciation charged in financial record	17000
v) Depreciation charges in cost Books/record	15000
vi) Interest received but not included in cost	7800
vii) Income Tax provided in financial Books	13000
viii) Store adjustment credited in F/c	7600
ix) Depreciation on store in financial books	5400
x) Profit on sales of Assets	40250

OR

- c) Lavanya company manufactured A and B types of goods.

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Particular	A	B
Manufactured unit	125	400
Sold unit	200	360
Material per unit Rs	15	12
Wages per unit Rs	40	30
Selling price per unit Rs	125	90

Actual factory expenses Rs. 9000 and office expenses Rs. 10,000.

In cost factory expenses 50% of wages and office on cost 33 1/3% of works cost

Prepare per unit cost statement training and P/L Account and Reconciliation statement.

3. a) Prepare process A, B and C Account.

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Particular	A (Rs)	B (Rs)	C (Rs)
Production transferred to nest process	66.67%	60%	Nil
Production transferred to godown	33.33%	40%	100%
Loss	4%	4%	4%
Scrap	6%	6%	6%
Sales of scrape per ton	3	5	6
Materials (Tons)	1400	160	1260
Per ton cost of materials	10	16	7
Wages and other exp.	5152	3240	2898

- b) Cost of production of process 'A' is Rs. 19400, of process 'B' is Rs. 19805, and process 'C' is & 20460. It the production from one process to another is transferred at cost price what will be the amount of materials consumed in all processes. If the following more information are given.

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Particular	Process A	Process B	Process 'C'
Labour	320	236	188
Repairs	28	33	14
Factory expenses	192	11	67

Prepare process account

OR

- c) Product x is obtained after it process through three distinct processes. You are required to prepare process account from the following information.

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Process				
	Total Rs.	I Rs	II Rs	III Rs
Materials	15084	5200	3960	5924
Direct Wages	18000	4000	6000	8000
Production overhead	18000			

1000 units @ Rs. 6 per unit were in produced in process 'A'. Production overhead are to be distributed as 100% on direct wages.

Actual output	Unit	Normal loss	Value of scrap per unit
Process I	950	5%	4
Process II	840	10%	8
Process III	750	15%	10

4. a) Ashok construction company took a contract of Rs. 5,00,000 and starts the work on 1st Jan 2020 positive of contract on 31st Dec 2020 is as.

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Particular	Rs.
Purchase of materials	46,500
Work certified	1,20,000
Direct wages	36,600
Other expenses	12,500
Plant issued to contract	50,000
Depreciation on plant	20% p.a.
Cash Received	1,00,000
Work uncertified	2,500
Material in hand	1,200

Prepare contract account for the year 2020.

- b) The following was the expenditure on contract for Rs. 12,00,000 commenced in Jan. 8

	Rs.
Materials	2,40,000
Wages	3,28,000
Plant	40,000
Overhead	17,200

Cash received on account of the contract upto 31st Dec. was Rs. 4,80,000 being 80% of the work certified. The value of materials in hand was Rs. 20,000 undergone 20% depreciation.

OR

- c) Following information related to contract No. 26 is available from the contract ledger of contractor for 31st March 2023 prepare 16

- i) Contract No. 26
- ii) Work in Progress Account
- iii) Show all the related items in the

Balance Sheet on 31.03.2023.

Material supplied for the contract work	42,000
Wages	18,900
Direct expenses	15,200
Machinery sent to contract	34,200
Sale of scrap	1800

Following information is provided additional.

- i) On 31st March 2023 direct expenses Rs. 1000 were outstanding
- ii) Work uncertified (31-3-2023) Rs. 5100
- iii) Machinery valued at Rs. 2000 and material costing Rs. 3000 were lost due of fire
- iv) Machinery costing Rs. 4000 was sold for Rs. 3000 and material costing Rs. 5000 was sold for Rs. 6000
- v) Depreciation on machinery up to 31.3.2023 was Rs. 10,000
- vi) Stock of materials in site on 31.3.2023 was Rs. 5,000
- vii) Cash received from the contractee was Rs. 60,000 which is 80% of the work certified.
- viii) Value of the contract was Rs. 1,20,000.

5. Write short answers from the following.

- i) Explain scope of Cost Accounting. 4
- ii) Give the items of expenditure which are appeared in financial Account but not recovered in cost books. 4
- iii) Explain the limitations of process costing. 4
- iv) What do you mean by certified and uncertified work. 4
