

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

P. Pages : 4

Time : Three Hours



GUG/W/23/10627

Max. Marks : 80

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

1. a) What is mean by Cost Accounting? Explain its importance. 8
- b) Kishor manufacture consist information for the year ended 31st March, 2023 were as follows: 8

	Rs.		Rs.
Sales	2,75,000	Direct Wages	65,000
Opening Stock		Closing Stock	
Material	3,000	Material	4,000
Work in Progress	4,000	Work in Progress	6,000
Finished goods	7,000	Finished goods	8,000
Material Purchase	1,10,000		

Factory overhead 60% of Direct Wages Administrative overhead 5% on sale selling and distribution overhead 10% on sale. Prepare cost statement.

OR

- c) From the following particulars of Lavanya manufacturing company, you are required to prepare statement for the year ended 31st Dec. 2022 showing: 16
- i) Statement Cost
 - ii) Percentage of factory overheads of productive wages
 - iii) Percentage of office overheads to work cost.

	Rs.
Stock of Raw Material (31 Dec. 2021)	15,000
Material Purchased	1,80,000
Productive Wages	1,50,000
Sales	4,64,255
Stock of Raw material (31 Dec. 2022)	8,000
Factory overheads	30,000
Office overheads	36,700

Company wants to submit a tender for a large machine which will consume material Rs. 96,000 and wages Rs. 80,000. The tender is to be made at a profit of 20% on selling price.

Calculate the tender price if the percentage of factory overheads to productive wages and percentage of office overheads to work cost remain the same as in the previous period.

2. a) From the following information prepare reconciliation statement. 8
- i) Net loss as per financial records Rs. 36,000
 - ii) Net loss as per costing records Rs. 35,210
 - iii) Works overheads under recorded in costing Rs. 2,300
 - iv) Administrative overheads recovered in excess in costing records Rs. 1,350
 - v) Depreciation in financial records Rs. 1,560
 - vi) Depreciation in costing records Rs. 2,800
 - vii) Interest received not recorded in costing records Rs. 950
 - viii) Obsolescence loss charged in financial books Rs. 1,100
 - ix) Store adjustment (credited in financial books) Rs. 650
- b) From the following information you are required to prepare reconciliation statement and to calculate profit as per financial books profit as per cost books is Rs. 16,000 8

Particular	F/Ac Books	Cost Books Rs.
Raw Material:		
Opening Stock	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 account:

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

OR

- c) The standard cycle manufacturing company which commenced business on 1st April 2020 supplied following information to you to prepare a statement showing the profit per cycle sold wages and materials are to be charged at actual cost works on cost at 100% on wages and office on cost at 75% on works on cost is charged. 16
- You are also required to prepare a statement reconciling the profit as shown by the cost account with profit as shows by the profit and loss account for the year ending 31 March, 2023.
- There were no cycles in the stock or in course of manufacture on 31.3.2021 and the number of cycles sold during the year were 800.
- Other particulars are as under
- Materials per cycle Rs. 480
 - Wages per cycle Rs. 180
 - Selling price per cycle Rs. 1,170
- Prepare the necessary statement showing the actual profit for the year if the actual works exp were Rs. 1,50,500 and office exp Rs. 1,04,500.

3. a) From the following prepare process 'A', 'B' and 'C' A/c. 8

Particular	A (Rs.)	B (Rs.)	C (Rs.)
Materials	40,000	10,000	6,000
Wages	20,000	10,000	5,000
Factory exp	6,000	4,500	3,000
Opening stock	2,000	3,000	4,000
Closing stock	3,000	4,000	2,000
Sales of scrap	1,500	2,000	500

For the production total indirect expenses of Rs. 4200 and production for the period is 500 tons.

- b) From the following information write process 'B' Account unit transferred from process A, 4000 unit @ Rs. 5 each. Material introduced 1000 unit @ Rs. 2 each. 8

Wages Rs. 6,000

Overheads Rs. 3,000

There is 5% normal wastage in process B and 5% scrap is produced which is sold at Rs. 2 each. $\frac{2}{3}$ rd of the product of process B is transferred to process C and $\frac{1}{3}$ rd product is transferred to godown at cost for sales.

OR

- c) A produced passes through three distinct process 'A', 'B' and 'C'. The normal loss in different processes is 3%, 4% and 5% respectively. The normal loss (scrap) of process A was sold @ Rs. 5.00 per unit of process 'B' @ 7.50 per unit and of process 'C' @ Rs. 10.00 per unit. 16

The detail of expenses is as follows:

Particulars	Process		
	A	B	C
Material Rs.	12,000	18,000	9,000
Direct Labour Rs.	45,000	75,000	60,000
Direct Expenses Rs.	14,000	12,500	14,000
Actual output (unit)	9,050	9,000	8,200

10,000 unit @ of Rs. 20.00 per unit were introduced in process A. Assuming that there was no opening and closing stock in various process prepare processes 'A' 'B' and 'C' accounts.

4. a) The following was the expenditure upto 31 Dec. 2016 on a contract for Rs. 5,00,000 commenced on 1st July 2016. 8

Particulars	Rs.
Materials	1,00,000
Wages	1,35,000
Supervision	500
Plant	18,000
Other exp	7,500

Cash received from the contractee up to 31 Dec. 2016 amounted to Rs. 2,00,000 being 80% of the work certified. Works completed but not certified on 31st Dec. 2016 amounted to Rs. 8,000. The value of material in hand at the site on 31 Dec. 2016 was Rs. 1500/- Prepare the Contract Account showing the position on 31st Dec. 2016 and the amount which you consider reasonable to be transferred to the profit and loss account after allowing depreciation on plant 20%. Per annum.

b) Prepare Contract Account.

8

Contract Price	Rs. 8,00,000
Wages	Rs. 88,200
Plant issued to contract	Rs. 1,00,000
Work certified	Rs. 3,00,000
Work uncertified	Rs. 5,000
Depreciation on plant	10% p.a.
Material purchased	Rs. 1,66,500
Sub contract cost	Rs. 16,000
Material in hand	Rs. 10,000
Cash Received	Rs. 2,40,000
Plant destroyed	Rs. 10,000

OR

c) Following information related to contract no. 26 is available from the contract ledger of a contractor for 31 March 2022. Prepare contract account.

16

	Rs.
Material supplied for the contract work	42,000
Wages	18,900
Direct Expenses	15,200
Machinery sent to contract	34,200
Sale of scrap	1,800

Following additional information is provided.

- On 31st March 2022 direct expenses Rs. 1,000 were outstanding.
- Work uncertified (31.3.22) Rs. 5,100
- Machinery valued at Rs. 2,000 and material costing Rs. 3,000 were lost due to fire.
- Machinery costing Rs. 4,000 was sold for Rs. 3,000 and material costing Rs. 5,000 was sold for Rs. 6,000.
- Depreciation on machinery upto 31.3.22 was Rs. 10,000.
- Stock of material at site on 31.3.22 was Rs. 5000
- Cash received from the contractee was Rs. 60,000 which is 80% of the work certified.
- Value of the contract was Rs. 1,20,000

Write:

- Contract No. 26 A/c
- Work in progress A/c
- Show all the related in the balance sheet on 31.3.2022.

5. Short note:

- Difference between Cost Accounting and Financial Accounting.
- Write causes of Reconciliation.
- Write a note on 'normal wastages' and 'abnormal wastages'.
- What do you mean by certified and uncertified work?
