Class / Semester / Subject Code: S.Y.B.Com.(A & F) / III / UA_FFSIII.2 Cost Accounting

Date: 11.10.2019 Time : (2½ Hours) Total Marks: 75

N.B. (1) All questions are compulsory.
(2) Figures to the right indicate marks for respective sub questions.

Q.1 A Fill in the blanks. (**Any 8**) (8)

(i) Work certified is valued in terms of __________ .
(ii) Work uncertified is valued at _____________.
(iii) If work done is less than ____________ % no profit is credited to profit and loss account.
(iv) Abnormal loss is credited to_____________
(v) ___________ Facilities internal control.
(vi) Interest on investment increases ___________ profit.
(vii) Interest on capital is _____________ .
(viii) Profit on sale of assets is _____________ .
(ix) __________ is treated as cost of production
(x) ___________ loss is unavoidable.

B **Match the following. (Any7)** 7

	Column A		**Column B**
1	Dividend on share capital	A	Debited to contract account
2	Contract	B	Credited to cost account
3	Plant issue to site	C	Shown in financial account
4	Material lost	D	Under non integral system of accounting
5	Escalation clause	E	Debited to contract account
6	Subcontract cost	F	Credited to contract account
7	Reconciliation	G	Big job
8	Profit on sale of assets	H	Included in cost account
9	Interest on capital	I	Credited to financial P&l a/c
10	Notional expenses	J	Covers increase cost

Q.2 (A) Product P pass through three process to completion following details (15)

Particulars	**Total**	**Process 1**	**Process 2**	**Process 3**
Direct material	8482	2000	3020	3462
Direct Labour	12000	3000	4000	5000
Direct Expenses	726	500	226	-
Production overhead	600	-	-	-

1) 1000 Unit at Rs.5 each were issue to process 1.
2) Output of each process was process 1 - 920 unit, process 2 - 870 unit And process 3 - 800 unit
3) Normal loss per process was process 1 - 10% at unit produced, process 2 - 5% And process 3 - 10%
4) The loss in each process represented scrap which could be sold to a merchant at value as follows, process 1 - Rs.3 per unit, process 2 - Rs.5 per unit And process 3 - Rs.6 per unit
5) There was no stock of material or work in progress in any department at beginning or end of the period. The output of all process passed direct

to the next process and finally to finished stock. Production overhead is allocated to each process on the basis of 50 % of the cost of direct labour.Show process A/C.

OR

(B) The Hindu Constriction co. Ltd. have undertaken the constrictions of bridge over a river of Yamuna for a municipal corporation, the value of contract is Rs.1250000 subject to a retention of 20% until 1 year after the certified completion of contract and final approval of corporation engineers. (15)

Following details dated on 30/06/2006

Particulars	**Rs.**
Labor on site	405000
Material Directly send site and written	420000
Material issued from store	81200
Hire & use of plant	12100
Direct Expenses	23000
General Overhead	37100
Material in hand (30/12/2006)	6300
wages accrued	7800
Direct Expenses Accrued	1600
Uncertified Work	16500
Certified Work	1100000
Cash Received on A/C	880000

Prepared contract A/C and balance sheet.

Q.3 (A) Swadeshi Electronics ltd furnish you the following information for the year ended 31st march 2018. (15)

Particulars	Rs
production and sales unit	15000
sales	1275000
Direct wages	270000
Direct material	330000
Factory overhead	225000
Administrative overheads	105000
Sales overheads	90000

On the account of intense competition following change are estimated in the subsequent year.

Production and sales activity will be increased by 1\3

Material rate will be lower by 25% However there will be increase in consumption by 20% due to quality difference.

Direct wages cost would be reduced by 20% due to automation.

Out of the above factory overheads Rs.45000 are of fixed nature . The remaining factory expenses are variable in proportion to the number of units produced.

Total administrative overheads will be lower by 40%

Sales overheads per unit would remain the same.

Sale price per unit would be lower by 20%.

Prepare a statement of cost for the both the year ending 31 mar 2006 and 31 mar 2007 showing maximum possible details of cost.

OR

(B) Prepare reconciliation statement of profit as per cost of Manufacturing for the year 2007, a statement of profit as per cost A/c profit and loss A/C in the financial books & a Statement to attribute the difference in profit as shown by the cost record & financial record. (15)

Particulars	Rs
Opening stock of Raw material	144000
Opening stock of financial articles	288000
purchase of Raw material	864000
Stock of Raw material at end	216000
Stock of finished article at end	72000
Wages	360000

Calculate factory on cost @20% on prime cost and office on cost @ 80% of factory on cost Actual Factory expenses amounted to Rs. 2,27,150 and actual office expenses amounted to Rs. 185950 the Selling price was fixed at 20% above total cost of finished article sold as per cost records.

Q.4 (A) The Following information to a contract of Bungalow to the total cost of Rs.2000000 (15)

Particulars	**2005**	**2006**
Material Issued to site	400000	300000
Direct Wages at site	210000	160000
Direct Expenses	80000	55000
Indirect Expenses	30000	150000
Work Certified	700000	1300000
Work Uncertified	50000	50000
Material At site year ended	25000	10000
Plant Issue	40000	-
Cash Received from contractee	630000	1215000
Plant at site year ended	20000	6000

Prepare both years contract A/C and Contractee A/c

OR

(B) From the following info you are required to prepare Reconciliation Statement the result of Net project as per financial A\C Rs. 51052 work overhead under recovery in cost Rs.1001.Depreciation charge in Financial book Rs.13000. Depreciation charge in cost book Rs.14326. Absolute loss charges in financial book only Rs.2021. Income tax provided in financial book only Rs.2626. Interest received but not recorded in cost book Rs.3031. Bank interest debited in financial book Rs.292. (15)

Q.5 (A) Explain the contract costing with details. (8)

(B) Explain the process costing with details. (7)

OR

(B) **Give short notes. (Any 3)** (15)

1.Reconciliation of financial statements
2.Work certified
3.Work uncertified
4.Process costing
5.Contract costing