

Q.P. Code :20860

Date of Exam 27/03/2018

Q.1 A

i) Cost per unit ii) Rs. 1,00,000 iii) indirect cost iv) interest v) certified work
vi) work certified less cost of work certified vii) 15 units viii) debited to financial profit & loss A/c
ix) paper/industry x) process A/c

Q.1 B

True : 2,5,7,9
False: 1,3,4,6,8,10

Q.2

Process L A/c

Particulars	Unit	Amt	Particulars	Unit	Amt
To Basic Materials	800	76800	By Normal loss	32	0
To Indirect Materials		7000			
To Direct Wages		680	By output transfer		
To Indirect Wages		15360	to process M A/C	384	53760
To Overheads		7680	warehouse	384	53760
			(C.P.U :- 140)		
	800	107520		800	107520

Process M A/C

Particulars	Unit	Amt	Particulars	Unit	Amt
To Transfer from L	384	53760	By Normal loss	40	240
To Basic Materials	416	37440			
To Indirect Materials		7000	By output transfer		
To Direct Wages		840	to process N A/C	304	48640
To Indirect Wages		15200	warehouse	456	72960
To Overheads		7600	(C.P.U :- 160)		
	800	121840		800	121840

Process N A/C

Particulars	Unit	Amt	Particulars	Unit	Amt
To Transfer from M	304	48640	By Normal loss	32	0
To Basic Materials	336	11760			
To Indirect Materials		22000	By output transfer		
To Direct Wages		9496	to warehouse A/c	608	98496
To Indirect Wages		4400	(C.P.U :- 162)		
To Overheads		2200			
	640	98496		640	98496

Q. 2.

Process A A/C

Particulars	Unit	Amt	Particulars	Unit	Amt
To Basic Materials	4000	13560	By Normal loss	80	20
To Materials		12000	By Abnormal Loss	70	840
To Direct Labour		16000	By output transfer		
To Direct Expenses		2000	to Process B A/c	3850	46200
To Overheads		3500			
	4000	47060		4000	47060

Process B A/C

Particulars	Unit	Amt	Particulars	Unit	Amt
To Transfer from A	3850	46200	By Normal loss	154	77
To Materials		10000	By Abnormal Loss	96	1728
To Direct Labour		5000	By output transfer		
To Direct Expenses		3400	to Process C A/c	3600	64,800
To Overheads		2005			
	3850	66605		3850	66605

Process C A/C

Particulars	Unit	Amt	Particulars	Unit	Amt
To Transfer from b	3600	64800	By Normal loss	90	54
To Materials		9000	By Abnormal Loss	96	1704
To Direct Labour		4900	By output transfer		
To Direct Expenses		3590	to F.G. A/c	3520	84,480
To Overheads		2004			
To Abnormal Gain	10	240			
	3610	84534		3610	84534

Q. 3 Cost Sheet for the year ended 31st March 2016

Particulars	Amt	Amt	C.P.U
Direct Materials		240000	12
Direct Wages		360000	18
Direct Expenses		136000	8
Prime cost		760000	38
<u>Indirect Cost</u>			
<u>Factory O/H</u>			
Drawing And Designing Expenses	54000		
Depreciation on P&M	96000		
Factory Rent	150000	300000	15
Work Cost		1060000	53
<u>Office and Administration</u>			
General managers salary	380000		
Office Maintenance Charges	188000		
Depreciation on Computer	172000	740000	37
Cost Of Production		1800000	90
Opening Stock Of F.G		82250	
(-) Closing Stock Of F.G		180000	90
Cost of Goods Sold		1705250	89.75
<u>Selling and Distribution O/H</u>			
Trade fair exp	85500		
Depreciation on Delivery Van	114000		
Advertisement	182250	313750	20.25
Cost of Sales		2090000	100
Profit		190000	10
Sales		2280000	120

Q.3

Cost Sheet

Particulars	Amt	Amt
Direct Materials		635000
Direct Wages		507500
Prime cost		1142500
Factory O/H	228500	
(-) Closing W.I.P	21000	207500
Work Cost		1350000
Office and Admin		625000
Cost Of Production		1975000
(-) Closing F.G		79000
COGS		1896000
S and D O/H		960000
Cost of Sales		2856000
Profit		144000
Sales		3000000

Reconciliation Statement

Particulars	Amt	Amt
Profit as per Cost Account		144000
Add: i) S&D expenses Overabsorbed in F.A.	21500	
ii) Income not recorded in cost		
Dividend received	17600	
Interest Received	23800	
iii) Closing Stock is overvalued in Cost		
Finished Goods	11000	
Work in Progress	1000	74900
Less:		218900
i) Expenses Underabsorbed in Cost A/c		
Wages	2500	
Factory	16500	
Administrative O/H	15000	
ii) Expenses not recored in the cost A/c		
Preliminary Expenses	18500	
Reserve for Bad debts	1900	54400
Profit as per Financial Account		164500

Q.4

Contract A/c for the year 2015

	Amt	Amt		Amt	Amt
To Materials		600000	By WIP		
To Direct Wages		440000	work Certified	1500000	
To sub contract		20000	Work Uncertified	16000	
To Direct Expenses		24000	Materials	10000	1526000
To General Expenses		12000			
To Dep. on Plant		14000			
To Supervision		20000			
To Notional Profit		396000			
		1526000			1526000
To P&L A/c		211200	By Notional profit		396000
To Reserve		184800			
		396000			396000

Contract A/c for the year 2016

	Amt	Amt		Amt	Amt
By WIP			By Resrve		184800
work Certified	1500000		By Materials		14000
Work Uncertified	16000		By Contractee		2000000
Materials	10000	1526000			
To Materials		168000			
To Direct Wages		200000			
To Supervision		10000			
To Direct Expenses		20000			
To General Expenses		2800			
To Dep. on Plant		8000			
To P&L A/c		244000			
		2198800			2198800

Q. 4

Contract A/c for the period 1/4/13 to 31/12/13

Particulars	Amt	Particulars	Amt	
To Materials	5,40,000	By Sale of materials	12,000	2 m
To wages	2,61,000	By Plant damaged	5,700	2 m
To Overheads	1,16,500	By Plant Transfer	8,325	2 m
To Plant	96,000	By WIP		1 m
To Establishment Exp.	30,750	work certified	10,20,000	2 m
To Notional profit c/d	2,19,450	Work Uncertified	90,000	2 m
		Material on hand	52,500	1 m
		Plant	74,925	1 m
	12,63,450		12,63,450	
To P&L A/c	1,31,670	By Notional profit	2,19,450	1 m
To Reserve	87,780			1 m
	2,19,450		2,19,450	