

**Bachelor of Commerce (B.Com.) Semester-V Examination**

**COST ACCOUNTING**

**Compulsory Paper—2**

Time : Three Hours]

[Maximum Marks : 80

**N.B. :—** (1) **ALL** questions are compulsory.

(2) All questions carry equal marks.

1. (A) Define Cost Accounting. Explain the elements of Cost. 8

(B) From the following particulars prepare statement of Cost Account :

	<b>Rs.</b>
Opening Stock	
Raw Material	14,400
Finished Good	28,800
Stock at the end	
Raw Material	21,600
Finished Goods	7,200
Wages	36,000
Purchase of Raw Material	86,400

Factory oncost at 20% on Prime Cost. Office oncost at 80% on factory oncost. The selling price was fixed at 20% above cost. 8

**OR**

(C) Following is the trading and profit and loss account of Time Co. Ltd. which manufactured 1200 Gas Stoves during the year 2016 :

**Trading and Profit & Loss A/c**

<b>Particulars</b>	<b>Rs.</b>	<b>Particulars</b>	<b>Rs.</b>
Raw Material	6,00,000	Sale	18,00,000
Labour	3,00,000		
Manufacture Exp.	2,40,000		
Gross Profit	6,60,000		
	18,00,000		18,00,000
Salary	84,000	Gross Profit	6,60,000
Rent, Rate and Taxes	24,000		
General Expenses	1,20,000		
Selling Expenses	36,000		
Net Profit	3,96,000		
	6,60,000		6,60,000

- (1) Company has to submit a tender for 500 gas stoves in 2017.
- (2) Cost of material will go up by 20% and labour by 10%.
- (3) Manufacturing expenses will increase in combined proportion of material and labour.
- (4) Selling expenses per unit will remain same, other expenses remain unaffected by the rise in output.
- (5) Prepare statement of tender, so as to yield profit 20% on sale. 16

2. (A) Write a note on Reconciliation Statement. 8

(B) Prepare a Reconciliation Statement from the following information :

Particulars	Financial Account Rs.	Cost Account Rs.
Profit	?	1,60,000
Stock of Raw Material		
Opening	2,00,000	1,60,000
Closing	2,40,000	2,20,000
Stock of Finished Goods		
Opening	1,00,000	1,02,000
Closing	6,00,000	6,15,000
Factory Overhead	80,000	1,15,000
Office Overhead	1,30,000	1,40,000

The following items do not appear in cost account :

	Rs.
Loss on sale of furniture	45,000
Donations and Charities	10,000
Profit on sale of car	20,000
Exchange rate loss	25,000

8

**OR**

(C) Trading and Profit & Loss Account of M/s Datta Brothers for the year ended 31<sup>st</sup> March 2018 is given below :

Particulars	Rs.	Particulars	Rs.
To Material Consumed	27,40,000	By Sales (1,20,000 Units)	60,00,000
To Wages	15,10,000	By Finished Stock (4,000 Units)	1,60,000
To Factory Expenses	8,30,000	<b>Work-in-Progress :</b>	
To Administrative Expenses	3,82,400	(a) Material	64,000
To Selling and Distribution Exp.	4,50,000	(b) Wages	36,000
To Preliminary Expenses		(c) Factory Exp.	<u>20,000</u>
Written Off	40,000	By Dividend Received	18,000
To Goodwill Written Off	20,000		
Net Profit	3,25,600		
	<u>62,98,000</u>		<u>62,98,000</u>

The company manufactures a standard unit :

- (1) Factory expenses have been allocated to production at 20% on Prime Cost.
- (2) Administration expenses at Rs. 3 per unit on Unit Produced.
- (3) Selling and Distribution expenses at Rs. 4 per unit sold.

You are required to prepare a statement of cost and reconciliation statement the profit that is shown in financial books. 16

3. (A) What do you mean by process costing ? Explain its importance. 8
- (B) The product of manufacturing concern passes through two process-1 and process-2. Loss in weight in each process is 5% and scrap will be 10% in each process. Scrap of process '1' will be sold out at the rate Rs. 100 per kg. and scrap of process '2' will be sold out at the rate Rs. 250 per kg.

Particulars	Process '1'	Process '2'
Material in kg	2,000	800
Cost per kg (Rs.)	125	200
Wages (Rs.)	36,000	24,000
Factory Expenses	12,000	10,000

Prepare process account and find out per kg cost. 8

**OR**

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

The detail of expenses is as follows :

Particulars	Process		
	x	y	z
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 (Rs.)	18,100	18,000	16,400

20,000 units of Rs. 20.00 per unit were introduced in Process 'X'. Assuming that there was no opening and closing stock in various processes.

Prepare Process x, y and z accounts. Amount calculate to nearest rupee. 16

4. (A) Distinguish between "Work certified" and "Uncertified work". 8

- (B) On 1<sup>st</sup> January 17 'A' undertook a contract for Rs. 10,00,000. He incurred the following expenses during the year :

Particulars	Rs.
Material purchased directly	80,000
Material supplied from stores	18,000
Plant installed at cost	24,000
Wages paid	60,000
Wages outstanding on 31 <sup>st</sup> Dec. 2017	4,000
Direct charges	4,000
Overhead charges	4,000

Work certified on 31<sup>st</sup> Dec. 2017 is 2,10,000 of which 80% had been received in cash cost of work completed but not certified was Rs. 21,200 materials worth Rs. 3,000 were returned to stores and worth Rs. 5,000 were of site. Charge 20% depreciation on plant.

Prepare contract account and work-in-progress account for the year ended on 31<sup>st</sup> December 2017. 8

**OR**

- (C) Mr. Pravin took a constructing building for Industries Center at a contract price of Rs. 10,00,000 and started work on 1<sup>st</sup> August 2017. Details of the work done and expenses incurred upto 31<sup>st</sup> March, 2018 are as follows :

<b>Particulars</b>	<b>Rs.</b>	
Work certified		4,50,000
Amount received from Contractee		3,82,000
Valuation of uncertified work (31-3-2018)		35,000
Materials on hand (31-3-2018)		6,000
Plant at site (31-3-2018)		80,000
Plant sent to site		1,00,000
Sundry material supplied from stores		12,000
Material returned to stores		3,000
<b>Material Purchased</b>		
Cement	80,000	
Steel	60,000	
Sand	10,000	
Brick	70,000	
	<u>2,20,000</u>	
<b>Wages Paid</b>		
Mason	54,000	
Coolies	66,000	
Supervisor	16,000	1,36,000
Water used		2,000
Administrative Expenses 2.5% of full contract price		
Contingencies		5,000
Part of Plant Costing Rs. 5,500 was sold for Rs. 4,000.		

Prepare Contract A/c and find out profit to be transferred to Profit and Loss Account.

16

5. (A) Saya Co. Ltd. is manufacturing T.V. and the following detail for the year ended 31<sup>st</sup> March, 2018 :

	<b>Rs.</b>
(1) Material Purchased	7,15,500
(2) Raw Materials (1-4-2017)	3,37,500
(3) Raw Material (1-4-2018)	3,03,000
(4) Carriage Inward	64,000
(5) Direct Labour	2,34,000
(6) Work-in-Progress (1-4-2017)	80,000
Find out Prime Cost.	4

(B) Prepare Reconciliation statement and find out net profit as per cost books :

	<b>Rs.</b>
Net profit as per financial account	2,63,000
Office overheads over recovered in cost books	7,500
Depreciation under recovered in cost books	11,000
Goodwill written off in financial accounts	6,000
Transfer fees received not included in cost account	4,800
Income tax provision as per financial books	91,000
Factory overheads under recovered in cost books	6,400
	4

(C) A product passes through process the details of production and expenditure for the month of March 2018 are as given below. Prepare Process A Account.

<b>Particulars</b>	<b>Process 'A'</b>
	<b>Rs.</b>
Materials introduced	12,000 Units
Per Unit Cost of Material	Rs. 50
Wages (Rs.)	4,00,000
Other Expenses (Rs.)	1,50,000
Normal Loss	3% of Input
By Product	7% of Input
Selling Price Per Unit	Rs. 18
Actual Production	10,500 Units
	4

(D) Prepare Contract Account from the following information :

	<b>Rs.</b>
Contract Price	12,00,000
Work Certified	3,00,000
Material Issued	1,90,000
Plant in Hand	36,000
Direct Wages	1,30,000
Other Expenses	13,000
Plant Issued to Contract	40,000
Material in Hand	5,000
Cash received 80% of work certified.	4

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(मराठी माध्यम)

- |   |    |
|---|----|
| 1. (अ) परिव्यय लेखांकन म्हणजे काय ? परिव्ययाचे घटक (Elements) स्पष्ट करा. | 8  |
| (ब) इंग्रजी माध्यमानुसार.   | 8  |
| किंवा   |    |
| (क) इंग्रजी माध्यमानुसार.   | 16 |
| 2. (अ) लाभाच्या समाधान विवरणावर टिप लिहा.                                 | 8  |
| (ब) इंग्रजी माध्यमानुसार.   | 8  |
| किंवा   |    |
| (क) इंग्रजी माध्यमानुसार.   | 16 |
| 3. (अ) विधा परिव्यय म्हणजे काय ? त्याचे महत्व स्पष्ट करा.                 | 8  |
| (ब) इंग्रजी माध्यमानुसार.   | 8  |
| किंवा   |    |
| (क) इंग्रजी माध्यमानुसार.   | 16 |
| 4. (अ) 'प्रमाणीत कार्य' व अप्रमाणित कार्य ह्यातील अंतर स्पष्ट करा.        | 8  |
| (ब) इंग्रजी माध्यमानुसार.   | 8  |
| किंवा   |    |
| (क) इंग्रजी माध्यमानुसार.   | 16 |
| 5. (अ) इंग्रजी माध्यमानुसार.  | 4  |
| (ब) इंग्रजी माध्यमानुसार.   | 4  |
| (क) इंग्रजी माध्यमानुसार.   | 4  |
| (ड) इंग्रजी माध्यमानुसार.   | 4  |

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(हिन्दी माध्यम)

- |   |    |
|---|----|
| 1. (अ) परिव्यय लेखांकन की परिभाषा बतलाइये। उसके घटक (Elements) विशद कीजिये। | 8  |
| (ब) अंग्रेजी माध्यम के अनुसार।  | 8  |
| अथवा  |    |
| (क) अंग्रेजी माध्यम के अनुसार।  | 16 |
| 2. (अ) लाभ के समाधान विवरण पर टिप्पणी लिखिये।                               | 8  |
| (ब) अंग्रेजी माध्यम के अनुसार।  | 8  |
| अथवा  |    |
| (क) अंग्रेजी माध्यम के अनुसार।  | 16 |
| 3. (अ) विधा परिव्यय का अर्थ लिखिये तथा महत्व स्पष्ट कीजिये।                 | 8  |
| (ब) अंग्रेजी माध्यम के अनुसार।  | 8  |
| अथवा  |    |
| (क) अंग्रेजी माध्यम के अनुसार।  | 16 |
| 4. (अ) 'प्रमाणित कार्य' एवं 'अप्रमाणित कार्य' में अंतर दर्शाइये।            | 8  |
| (ब) अंग्रेजी माध्यम के अनुसार।  | 8  |
| अथवा  |    |
| (क) अंग्रेजी माध्यम के अनुसार।  | 16 |
| 5. (अ) अंग्रेजी माध्यम के अनुसार।   | 4  |
| (ब) अंग्रेजी माध्यम के अनुसार।  | 4  |
| (क) अंग्रेजी माध्यम के अनुसार।  | 4  |
| (ड) अंग्रेजी माध्यम के अनुसार।  | 4  |