

T.Y SEM VI

Prabodhan Education Society's
 Vidya Prabodhini College of Commerce, Education, Computer and Management, Parvari Goa.
Semester End Assessment, June 2022

Programme: B.COM Subject: Commerce
 Course Code:UCOD126 Course Title: Advanced Cost Accounting II
Duration: 2 Hours **Total Marks:80**

Instructions: (1) Question No. 1 is compulsory.
 (2) Answer **any three** questions from Question No. 2 to Question No. 6.
 (3) Figures to the right indicate marks to the question/sub-question.

Q. No. 01 **(20 Marks)**

A product passes through process Dhavrukh before it is completed. The output of each process is charged to next process at a price calculated to give a profit of 25% on cost price. The following data is obtained at the end of December 2021.

Particulars	Process A	Process B	Process C	Finished stock
Direct Materials	20,000	5,000	4,000	Nil
Direct Wages	15,000	10,000	20,000	nil
Stock on 31 st December	5,000	6,500	9,500	5,000
Sales during the year		-	-	1,10,000

Prepare:

1. Process Cost A/c showing profit element at each stage and Finished Goods Account
2. Assume closing stock is valued at prime cost of the process.

Q. No. 02 **(20 Marks)**

A firm of builder provides the following details in relation to a certain contract carried out during the year ended on 31st March 2022.

Work certified by the architect	1,43,000
Cash received from the contractee	1,30,000
Material sent to site	64,500
Labour engaged in site	54,800
Plant installed at site	11,300
Value of plant on 30 th June	8,200
Cost of work not yet certified	3,400
Establishment charges	3,250
Direct expenditure	2,400
Wages accrued and due	1,800
Material closing balance	1,400
Material returned to the store	400
Direct expenses accrued and due	200
Contract price	2,00,000

You are required to prepare an account showing the profit on the contract up to 31st March 2022. Also calculate the proportion of profit to be transferred to the P&L Account

Q. No. 03

(20 Marks)

The cost ledger of a company shows the following balances as on 31st March, 2022.

Particulars	Debit (Rs.)	Credit (Rs.)
Work in Progress Control Account	7,840	
Finished Stock Ledger Control Account	5,860	
Stores Ledger Control Account	10,500	
General Ledger Adjustment Account		24,800

Transactions for the year 2021 - 2022 are as follows:

Particulars	Rs.
Direct wages	61,200
Indirect Wages	2,800
Factory overheads allocated to production	18,700
Administrative overheads allocated	6,200
Stores issued to production	39,300
Cost of goods finished during the year	1,20,000
Cost of finished goods sold (no stock was left at the year-end)	1,32,000
Stores purchased	36,000
Stores issued to factory repair order	1,500
Carriage inward on stores issued for production	600
Factory expenses	14,000
Administrative expenses	6,000
Sales	1,32,000

You are required to prepare the following ledger accounts under non-integrated accounting system.

- General/Cost Ledger Adjustment Account
- Work-in-Progress Control Account
- Stores/Materials Ledger Control Account
- Finished Goods Control Account

Q. No. 4 A

(10 Marks)

Pankaj Enterprises operates an integral system of accounting. You are required to pass the journal entries for the following transactions that took place for the year ended 31.03.2022.

	Amount (Rs.)
Raw materials purchased on credit	6,00,000
Materials issued to production	4,00,000
Wages paid (50% direct)	2,00,000
Wages charged to production	1,00,000
Selling and distribution expenses incurred	40,000

Q. No. 4 B

(10 Marks)

What is uniform costing? Explain the advantages (*any four*) and limitations (*any four*) of a uniform costing system.

No. 5 A

(10 Marks)

Discuss the advantages (*any five*) and limitations (*any five*) of inter-firm comparison.

Q. No. 5 B

(10 Marks)

You are given the following information:

Input	3800 units
Output	3000 units
Closing W.I. P	800 units

Particulars	Degree of completion	Process cost
Materials	80%	14560
Labour	70%	21360
Overheads	70%	14240

- Prepare:
- 1) Statement showing equivalent production.
 - 2) Statement showing cost per unit of equivalent production.
 - 3) Statement showing valuation of finished goods & W.I.P units.

Q. No. 6 Write short notes (*any four*)

(4 x 5 = 20 Marks)

- (a) Comparison between Job Costing and Process Costing (any 2 Points)
- (b) Escalation Clause in Contract Account
- (c) Steps in developing of activity-based costing
- (d) Write a short note on Equivalent production.
- (e) Contents of uniform costing manual