SyBAF-78·

Q.P. Code :20859

[Time: Three Hours] Cost [Marks:80]

Please check whether you have got the right question paper.

N.B:
1. All questions are compulsory.
2. All questions carry in marks.
3. Figures to the right indicate full marks.
4. Use simple calculator.
5. Working should from part of answer.

Q.1 a) State whether True or False : (Any eight) 08

i. Prime cost = Direct Material cost + Direct Labour cost + direct expenses.
ii. Joint products are of equal importance.
iii. Retention Money = Payment received – work certified.
iv. Overheads include only fixed cost.
v. The sale price of material for a contract is credited to the contract account.
vi. Dividend paid is a financial income.
vii. In cost sheet selling and Distribution Overheads included in the cost of Production.
viii. Goodwill written off appears only in the cost accounts.
ix. Need for reconciliation arises in case of Non – intergrated system of accounts.
x. The cost of units of abnormal gain is debited to the process account.

b) Match the followings : (Any seven) 07

i. Notional Profit	a) Unit × % of normal loss
ii. Expenses on issue of shares	b) Normal cost / normal output
iii. Normal loss	c) Office and Administrative Overheads
iv. Depreciation on computer	d) Work certified + work done but uncertified
v. Unit cost	e) Income credited only in cost Accounting
vi. Abnormal loss	f) Selling And distribution Overheads
vii. Carriage inward	g) Expenses debited only in Financial Accounts
viii. Work completed	h) Cost of Materials
ix. Advertising	i) Work certified – cost of work certified
x. Notional rent charged to owner	j) Normal output – Actual output

Cost

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Q.2 Given blow is the Trading, profit & Loss Account of Ltd. For the tear 31st March 2015. 15

Particulars	Rs.	Particulars	Rs.
To Materials consumed	3,00,000	By sales (2,50,000)	7,50,000
To wages	2,00,000		
To factory expenses	1,20,000		
To factory expenses	40,000		
To selling expenses	80,000		
To net profit	10,000		
	7,50,000		7,50,000

Information related with cost accounting are as follows:-

Factory overheads- Fixed Rs.60000 and variable Rs.75000

Office overheads-Rs.50000 Selling overheads – fixed Rs.30000, variable Rs.62500.

Q.2 Prepare statement reconciling profit as per cost accounts & financial accounts. 15

OR

Bahubali Ltd. started a factory in Mumbai on 1st April 2016. Following detail is available for the year ended 31st March 2017:

Raw materials consumed – 40,000 units @ Rs.7 per unit.

Direct wages – skilled worker Rs. 9 per unit.

Unskilled worker Rs. 6 per unit.

Direct expenses – Rs.3 per unit.

Work overheads Rs.8 per machine hours worked – 25,000 hrs.

Offices overheads Rs.4, 00,000, Sales commission Rs.4 per unit sold.

Unit produced – 40,000 and unit sold – 36,000

Selling price per unit Rs 50. Prepare cost sheet showing the various elements of cost & per unit cost.

Q.3 Product 'A' is obtained after it is processed through process X,Y and Z. 15

The following cost information is available for the month ended 31st March, 2014.

Particulars	Processes		
	X	Y	Z
Number of units introduced in the process	5,000		
Rate per unit of units introduced	04		
Cost of Material	2,600	2,000	1,025
Direct Wages	2,250	3,680	1,400
Production overheads	2,250	3,680	1,400
Normal Loss (%on units introduced in each process i.e. input)	10%	20%	25%
Value of scrap per unit	02	04	05
Output in units	4,500	3,400	2,700

There is no stock in any process. You are required to prepare the process Accounts, abnormal loss, abnormal gain & normal loss account.

Cost

OR

Q.3 The product of a company passes through three distinct processes to completion. These processes are known as X, Y & Z. From the past experience, it is ascertained that wastage is incurred in each process as under: process X – 2% process Y – 4 % & process Z – 10 %. 15

Particulars	Process x (Rs.)	Process y (Rs.)	Process (Rs.)
Material	2,70,000	2,60,000	1,20,000
Wages	4,30,000	2,40,000	1,30,000
Direct expenses	1,74,500	1,52,275	1,80,000
Scrap value	2.5	2.5	5
Normal output	48,750 units	47,000 units	42,000 units

50,000 units are put in process X at a cost of Rs. 10 per unit.

You are required to prepare process account, abnormal loss, abnormal gain & normal loss account.

Q.4 The following information is obtained from the books of Gabru contractor relating to a contract for Rs. 75,00,000. The contractee pays 90 % of the value of work done as certified by the architect. 15

Particulars	**2014 Rs.**	**2015 Rs.**	**2016 Rs.**
Materials	9,00,000	11,00,000	6,30,000
Direct expenses	35,000	1,25,000	45,000
Indirect expenses	15,000	20,000	-----
Work certified	17,50,000	56,50,000	75,00,000
Work uncertified	------	1,00,000	----
Plant issued	1,00,000	-------	-----
Wages	8,50,000	11,50,000	8,50,000

The value of plant at the end of 2014, 2015 and 2016 (when the contract was completed) was Rs.80,000; Rs.50,000 and Rs.20,000. Prepare Contract prepares Contract Account for the year 2014, 2015 and 2016.

OR

Q.4 Pakya contractor undertook a contract for Rs. 15, 00,000 on 1st July 2015. The contract was completed on 31st March 2017. The contractor prepares his accounts on 31st march. The details of the contract are: 15

Particulars	From 1 / 7 /2015 - 31 /03 / 2016	1 /4/ 2016 – 31/ 3 /2017
Materials issued	1,52,000	3,30,000
Direct wages	1,25,000	4,65,000
Direct expenses	30,000	45,000
Materials returned to stores	22,000	15,000
Material at site	20,000	8,000
Uncertified work	48,000	------
Office overheads	23,000	66,000
Material lost by fire	-------	5,000
Work certified	3,00,000	15,00,000
Plant issued	3,00,000	1,50,000

Cost

Provide depreciation @ 20% p.a. on plant.

Prepare Contract Accounts for the years ended 31st march 2016 and 31st march 2017.

Q.5 A) **Classify the cost on the basis of behavior.** 07

B) What is contract costing? Explain the features of contract costing. 08

OR

Q.5 Write short notes on any three from the followings: 15

1) Process costing
2) Reason for difference between cost and financial accounts.
3) Explain the limitation of financial accounts
4) Normal loss
5) Work certified.

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