

Subject: COST ACCOUNTING-II

S.Y. BAF - Semester IV

ASSIGNMENT

Q1) Following details are furnished by M/s Sagar Ltd for the year ended 31st March 2017

Particulars	Amount(Rs)
Direct Material	3,40,000
Opening Stock of Finished Goods(1,000 units)	85,250
Closing Stock of Finished Goods (2,000 units)	?
Depreciation on Plant and Machinery	96,000
Loss on Sale of Machinery	17,500
Trade Fair Expenses	85,500
Direct Expenses	1,60,000
General Manager's Salary	3,80,000
Dividend Paid	7,800
Direct Wages	2,60,000
Purchase of Machinery	1,90,000
Advertisement	1,85,250
Depreciation on Computer	1,72,000
Drawing and Designing Expenses	54,000
Depreciation on Delivery Van	1,14,000
Office Maintenance Charges	1,88,000
Factory Rent	1,50,000
Sales(19,000 units)	22,80,000

Closing Stock of Finished Goods to be valued at Cost of Production

You are required to prepare Cost sheet showing various elements of cost both in total as well as cost per unit and also find out Total Profit and per unit profit

Q2) From the Books of M/S ABC Ltd the following details have been extracted for the year ending 31-3-2015

Particulars	Amount(Rs)
Opening Stock of Raw Materials	2,70,000
Closing Stock of Raw Materials	3,00,000
Purchase of Raw Materials	12,48,000
Direct Wages	3,57,600
Direct Expenses	1,20,000
Indirect Wages	24,000
Salaries to Administrative Staff	60,000
Carriage Inward	48,000
Carriage Outward	37,500
Manager Salary	72,000
General Charges	37,200
Legal Charges for Criminal Suit	20,000
Commission on Sales	28,000
Fuel	96,000
Electricity Charges(Factory)	72,000
Director's Fees	36,000
Repairs to Plant and Machinery	63,000
Rent, Rates and Taxes(Factory)	18,000
Rent, Rates and Taxes(Office)	9,600

Depreciation on Plant and Machinery	45,000
Depreciation on Furniture	3,600
Salesman Salaries	50,000
Audit Fees	18,000

Additional Information:

- 1) The Manager's Salary is shared between factory and Office in the ratio of 20:80.
- 2) Selling Price is 120% of the Cost Price.
- 3) Carriage Outwards include 7500 being carriage inwards on Plant and Machinery

Q3) The following information is available from Cost and Financial Accounts in respect of a company for the year ended 31st Dec 2013. You are required to prepare a statement reconciling the profit or loss for the same by taking Costing Profit as the base.

The following item(shown in table) are shown in Financial Accounts but not in Cost Accounts

Particulars	Amt(Rs)
Loss due to obsolescence of assets	7,400
Provision for Income Tax	76,000
Loss due to reduction in value of Stock	12,000
Interest Paid	8,000
Loss by Fire	2,100
Interest on investments received	12,000
Bank interest received	2,450
Rent received	4,000

The additional information is as follows :

- 1) In Cost Accounts, Factory expenses are estimated at Rs 52,000, while in Financial Accounts they are charged at 58,240
- 2) In Cost Accounts, Administration expenses are estimated at Rs 40,000 while in financial accounts they are charged at 36,600
- 3) In cost accounts depreciation is charged excessively by Rs 2,600 as compared to Financial Accounts
- 4) Profit as shown by Financial Accounts does not agree with the profit shown by Cost Accounts. Profit as shown by Cost Accounts is Rs 3,44,800 while as shown by Financial Accounts is 2,57,510.

Q4) What are the advantages of Cost sheet ?

Q5) What is Process Costing? Explain the features of Process Costing