

2008000204050011
EXAMINATION FEBRUARY-MARCH 2024
BACHELOR OF COMMERCE (HONORS)
(FOURTH SEMESTER)
COST ACCOUNTING – III LEVEL 5

[Time: As Per Schedule]

[Max. Marks: 50]

Instructions:

1. **1. Fill up strictly the following details on your answer book**
 - a. Name of the Examination: **BACHELOR OF COMMERCE (HONORS) (FOURTH SEMESTER)**
 - b. Name of the Subject: **COST ACCOUNTING - III**
 - c. Subject Code No: **2008000204050011**
2. Sketch neat and labelled diagram wherever necessary.
3. Figures to the right indicate full marks of the question.
4. All questions are compulsory.

Seat No:

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Student's Signature

Q.1 (A)The following records are taken from Krishna Engineering works ltd. 5

Materials	Rs. 5,000
Direct wages	Rs. 3,500
Variable factory overheads	Rs. 2,500
Fixed factory overheads	Rs. 2,000
Administration overheads	Rs. 2,600
Machine hours	Rs. 3,000

Factory overheads are absorbed on the basis of machine hours and administrative overheads are absorbed as a percentage of work cost. The company has received an order of a job. The following particulars are available in respect of the job.

Materials	Rs. 750
Wages	Rs. 350
Machine hours	Rs. 300

Prepare job order cost sheet.

(B) Particulars regarding a contract are available as under:

Contract Price	Rs. 7,00,000	5
Cash received (75% of work certified)	Rs. 3,20,000	
Work completed	4/5	
Total expenses up till now	Rs. 4,90,000	

Find out the cost of uncertified work.

- Q.2** Narmada Transport Company owns a fleet of 4 Matador which are used to carry students of Narmada college from Bharuch station to college and back a total distance of 16 km. each Matador make's 2 (two) round trips a day and carries 20 passengers in a single strip. The entire matador works 25 days in a month. **14**

Following are the expenses from which you are required to find out cost per passenger km. to Narmada Transport Company.

Particulars	Rs.
Salary of 4 drivers per month	2,000
Salary of 4 cleaners per month	1,600
Diesel charges per liter	3.50
Road taxes per day per passenger	2
License fees per matador per year	480
Garage Rent (total) per annum	12,000

Maintenance 50% of depreciation charges.

Each matador costs Rs. 90,000 and has scrap value of Rs. 9,000 at the end of its life of 9 years. Each matador runs 10 km in one-liter diesel.

College contributes 50% of the freight to be charged from students.

If $\frac{1}{4}$ of the cost is charged as profit by Narmada transport Company. What will the student pay per month to the college as transport charges?

- Q.3** Raj Ltd. Undertook a contract at a price of Rs. 17, 50,000. The date of contract agreement was 1-4-2010. The balances as on 31-3-2011 were as under. **14**

Material Stock	17,500
Plant (after depreciation)	37,500
Salary due but not paid	10,000
Certified work	3,55,000
Uncertified work	45,000
Work-in-progress (reserved profit)	25,000

The following information is as under for the year 2011-2012.

Material supplied	2,25,000
Salaries paid	85,000
Other direct expenses	10,000
Special plant issued (1-10-11)	25,000
Indirect expenses	10,000
Other expenses (including Rs. 10,000 for other contract)	25,000
Materials returned to stores	2,500
Special plant destroyed on account of fire at site (31-3-12)	23,750

The following balances were as on 31-3-2012.

Material stock	7,500
Unpaid salaries	5,000

Uncertified work	62,500
Cash received	5,00,000

Raj Ltd. Receives a sum of 80% of the work certified. Depreciation is calculated at 10% by demising balance method.

From the above information, prepare contract Account for the year 2011-2012. 2/3 profit on cash basis to be taken to P & L Account. Show the balance of work-in- progress in the balance sheet as on 31-3-12.

Q.4 Write a Short Notes. (Any two)

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- 1) Certified Work
- 2) Process Loss
- 3) Job Costing Method.
