



# SRI BHAGAWAN MAHAVEER JAIN EVENING COLLEGE

Affiliated to Bengaluru Central University  
V V Puram, Bangalore – 560 004

## IV Semester B.Com (CBCS) Commerce – Assignment

### Subject: COST ACCOUNTING

Answer the following questions (all questions are compulsory).

1. The following particulars are obtained from the books of PQR Co. Ltd. For the year 2014-15

Particulars	Amount(₹)
Stock on 1-4-2014	
- Raw materials	75,000
- Finished Goods	60,000
Stock on 31-03-2015	
- Raw Materials	78,600
- Finished Goods	76,800
Purchase of Raw Materials	3,40,400
Direct Wages	2,50,000
Factory on cost	1,50,000
Office overheads	2,75,000
Selling on cost	75,000
Sales	15,00,000

During the year 2015-16 the company has to submit a quotation for an order. It is estimated that the direct materials, direct wages and selling expenses required would Rs. 5,00,000, 3,50,000 and 5,000 respectively. You are required to:

- Prepare a Cost Sheet for 2014-15.
  - Calculate the percentage of works on cost against productive wages and office overheads to works cost for the year 2014-15.
  - Prepare a quotation for 2015-16 based on previous year's percentages on the assumption that 20% profit is expected on cost.
2. The following is the record of receipts and issues of a certain material in the factory during a week
- April 2016
- Opening balance 50 tonnes @ ₹10 per tonne
  - Issued 30 tonnes
  - Received 60 tonnes @ 10.20 per tonne.
  - Issued 25 tonnes [stock verification reveals of loss of 1 tonne]
  - Received back 10 tonnes [previously issued at 9.15 per tonne]
  - Issued 40 tonnes.
  - Received 22 tonnes @ 10.30 per tonne.
  - Issued 38 tons.

Prepare a Stores ledger account under (a) FIFO method (b) LIFO method



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3. Prepare a Stores Ledger under Weighted Average Method

Date	Receipts (Units)	Rate per unit	Issues (units)
01-3-2016	6,500	20	
08-3-2016	8,500	25	
12-3-2016			10,000
18-3-2016	15,000	30	
22-3-2016			7,500
31-3-2016			3,000

4. From the following details, you are required to prepare a Reconciliation Statement and also ascertain profit as per financial books.

Particulars	Cost Books (₹)	Financial Books (₹)
Profit as per cost records	3,85,000	?
Works overheads	68,500	72,000
Administration overheads	92,750	1,02,650
Selling overheads	45,600	38,500
Depreciation		62,850
Stores Adjustment(credit) in P&L a/c		7,500
Value of opening stock	86,400	75,000
Value of closing stock	94,800	86,400
Reserve for Bad Debts		16,050
Interest on bank deposits received		16,750
Loss on sale of machinery		15,000
Tax provision		42,750
Interest on bank loan paid		18,250

5. A factory has three production departments and two service departments. The overheads departmental distribution summary shows the following:

Departments: A – Rs. 3,00,000, B – 3,50,000, C – Rs. 2,00,000, P – Rs. 80,000, Q – Rs. 60,000.

The service departmental expenses of P & Q are to be apportioned on a percentage basis as follows –

Particulars	Production Departments			Service Departments	
	A	B	C	P	Q
Service Departments					
P	30%	20%	30%		20%
Q	40%	30%	20%	10%	

Prepare a secondary overhead distribution statement under

- Repeated distribution method
- Simultaneous equation method



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6. Following information is available with respect to a particular type of labor.
- (a) Monthly salary –
    - (i) Basic pay ₹ 2,000
    - (ii) DA 75% of basic pay
  - (b) House Rent Allowance ₹ 400 per month
  - (c) Leave salary earned ₹ 3,500
  - (d) CCA ₹ 200 per month
  - (e) Interim relief 10 % of Basic + DA
  - (f) Employer contribution to PF 5% of basic + DA
  - (g) Employer contribution to ESI 2 ½ % on basic + DA
  - (h) Pro-rata expenses on amenities ₹ 25 per month
  - (i) Number of working hours in a month 200 hours. Calculate the cost of Labor per day of 8 hours.