Non-Integrated and Integrated Accounts with Job and Batch Costing

Time Allowed : 1 hour		Total : 30 Marks

Q.1 You are given the following information of the cost department of a manufacturing company: -

Stores:	Opening balance -₹12,60,000 Purchases -₹67,20,000 Transfer form WIP-₹ 33,60,000	Issue to Work-in-Progress -₹67,20,000 Issue for Repairs &Maintenance -₹8,40,000 Normal shortage found in Stock Taking -₹2,52,000
Work-in-Progress:	Opening Balance -₹25,20,000 Direct Wages -₹25,20,000	Overheads Recovered -₹90,08,000 Closing Balance -₹15,20,000

Finished Products: Entire output is sold at a profit of 12% on cost from work-in-progress.

Other information: -

Wages incurred- ₹29,40,000	Income from investment -₹4,00,000
Overhead incurred -₹95,50,000	Loss on sale of fixed assets -₹ 8,40,000

Shortage in stock taking is treated as normal loss. Under recovery is to be carried forward. You are **required** to prepare:**(i)**Various Cost control account along with Costing Profit and Loss Account and **(ii)**Profit and loss Account **(10 Marks)**

Q.2 From the following data **write up** the various accounts as you envisage in the cost ledger and prepare a trial balance as on 31st March, 2010: -

Balance (₹ 000) as on 1st April, 2009: -	Material control -₹1,240	Production Overhead -₹84(DR)
	Work-in-progress -₹625	Administration Overhead -₹120(CR)
	Finished Goods -₹1,240	Selling and Distribution Overhead- ₹65(DR)
		General Ledger Control Account - ₹3,134

Transactions for the year ended 31st March, 2010: -

Particulars	₹	**Particulars**	₹
Materials Purchases -	4,801	**Administration overheads**	
Issued to: Jobs (Direct material)	4,774	Incurred	740
Maintenance works	412	Allocated to finished goods	529
Administration office	34	Allocated to sales	148
Selling department	72	**Sales overheads**	
Direct wages	1,493	Incurred	642
Indirect wages	650	Absorbed	820
Carriage expenditure from store to factory	84	Finished goods produced	9,584
Production overhead : Incurred	2,423	Cost of goods sold	9,773
Absorbed	3,591	Sales realization	12,430

(10 Marks)

Q.3 ML Auto Ltd is a Manufacturer of auto components and the details of its expenses for the year 2014 are given below:

Opening Stock of Material - ₹ 1,50,000	Direct Labour - ₹ 9,50,000
Closing Stock of Material - ₹ 2,00,000	Factory Overhead - ₹ 3,80,000
Purchase of Material - ₹ 18,50,000	Administrative Overhead - ₹ 2,50,400

During 2015, the Company has received an order from a Car Manufacturer where it estimates that the Cost of Material and Labour will be ₹ 8,00,000 and ₹ 4,50,000 respectively. ML Auto Ltd charges Factory Overhead as a Percentage of Direct Labour and Administrative Overhead as a Percentage of Factory Cost based on previous year's cost. Cost of Delivery of the components at Customer's Premises is estimated at ₹ 45,000.

You are **required** to: -

(i) Calculate the Overhead Recovery Rates based on Actual Costs for 2014.

Prepare a detailed Cost Statement for the order received in 2015 and the price to be quoted if the Company wants to earn a Profit of 10% on Sales. **(10 Marks)**