

**BLUE BOOK****ACHIEVER****INTERNAL ASSESSMENT BOOK**Name... Lakshmi MRSubject... Cost Accounting Class... II B.Com III Sem

Sl.No.	PARTICULARS	Test Date	Page No	Marks Awarded	Signature of Staff Incharge
1	TEST - I				
2	TEST - II				
3	TEST - III				
4					
5					

**Certificate**

This is to certify that Smt. / Sri... Lakshmi MR ... has satisfactorily completed the course of Assignment prescribed by the... University for the semester  
 ..... Degree Course in the Year 2022 - 2023

MARKS	
MAX	OBTAINED

Lakshmi MR  
Signature of the Student

Signature of  
H.O.D.

Signature of the Staff Member  
(Incharge of the Batch)



1) Cost is the sum of total of all the expenditure in producing and selling a product or in rendering a service or in performance.

2)

Direct materials	=	5000
labour	=	6000
Prime Cost	=	11,000

3) \* Job Order Costing → This method applies where work is undertaken to customer costs are collected on identified. So it becomes essential to analyze the cost according to job.

\* Contract Costing → when the job is big and spread over long period the method of contract costing use a separately accounts is kept for each Indian contract.

\* Batch Costing → This is an extension of job costing a batch may represent a number of small orders passed through the factory in batch. Each batch is treated as unit of cost and separately costed.

\* Process Costing → as direct from costing this method used in mass production. This method used in mass production industries manufacturing standardized products in continuous process of manufacturing.



- + Operating Costing :- This is nothing but a refinement and a more detailed application of Process Costing. A Process may consist of a number of operations and Operation Costing involves cost ascertainment of each operation instead of the Process.
- + Unit Costing -> Unit Costing is suitable for industries, which manufacture is continuous and units are identical. This
- + Service Costing :- This is suitable for industry, which manufacture goods this is applied in transport undertakings. Power Supply Companies where they used to ascertain the cost service rendered.
- + Multiple Costing -> it is an application of more than one method of cost ascertainment in respect of same product.



(5)

## Cost sheet

Particulars		Amount
Direct material	20,000	
Direct wages	28,500	
	<u>48,500</u>	
Prime Cost		48,500
(+) <u>factory Over head</u>		
factory Rent & rates	25,000	
plant repairs maintenance	3,500	
plant & Depreciation	3,600	
factory lighting	4,500	
factory manager's Salary	<u>4,000</u>	
	18,100	
factory Cost.		66,600
(+) <u>office Over head</u>		
office Rent & Rates	2,500	
office Salaries	1,600	
Director's remuneration	1,500	
Telephone & postage	2,000	
Printing & Stationery	1,000	
Showroom rent	2,000	
Legal charges	<u>800</u>	
office Cost		7,800
(+) <u>Selling &amp; Distribution Over head</u>		
Advertisement	2,500	
Salesmen's Salary	<u>3,000</u>	
	5,500	
Total Cost of Production		83,500
Profit (balance)		5,650
Sales		1,49,000

⑥

## Reconciliation Statement

Particular's	Amount	Amount
Net Profit as Per Costing book		65500
(+) Administration Over head reCount	4000	
Depreciation reCount in Costing	3950	
Interest received but not included	450	
Bank Interest Credited.	230	
Storey Adjustment	420	9050
		74550
(less) factory Over head Under reCount	2000	
Depreciation Charged in financial books	3660	
Income Tax Provided in financial book	600	
		6260
 Profit as Per financial Cost		 6290

⑦

### Reconciliation Statement

Particular's	Amount	Amount
Net Profit as Per Cost sheet		28660
(+) Bank Interest Credited	30	
Our recovery of Our made	150	210
		28870
(-) Director's fees not charged in Cost account	1050	
a Provision for bad and doubtful Debts	970	
Provision for income Tax	8300	10300
Profit as Per Cost accounting		18550

⑧

### Cost sheet of the year 2021

Particular's		Amt
Direct materials	5000	
Direct wage	3000	
chargeable expenses	2000	
Prime Cost		10.000
(+) factory Over head		3000
factory Cost		13.000
(+) administrative Over head		4000
office Cost		17000
(+) Selling & Distribution Over head		3000
Cost of Production		20000
Profit (blank)		5000
Sales		25000

## Calculation for estimate balance sheet

$$\% \text{ of factory O/H} = \frac{\text{factory O/H}}{\text{Direct wages}} \times 100$$

$$= \frac{3000}{3000} \times 100$$

$$= 100\%$$

$$\% \text{ of office O/H} = \frac{\text{office O/H}}{\text{factory cost}} \times 100$$

$$= \frac{4000}{13000} \times 100$$

$$= 30.76\%$$

$$\% \text{ of Selling \& Distribution O/H}$$

$$= \frac{\text{Selling \& Distribution O/H}}{\text{factory cost}} \times 100$$

$$= \frac{3000}{13000} \times 100$$

$$= 23.07\%$$



## estimated cost sheet

Particular's	Amount
Direct material	8000
chargeable expenses	2000
Direct wages	10000
	<hr/>
Prime Cost	20000
(+) factory Over head $\left(\frac{10000 \times 100}{100}\right)$	10000
factory cost	<hr/>
	30000
(+) Administrative Over head	
$30000 \times \frac{30.76}{100}$	9228
Cost of Production	39228
(+) Selling & Distribution Over head	
$30000 \times \frac{23.07}{100}$	6921
	<hr/>
	46149
Profit (balance)	5000
Selling Price	51149

$$\% \text{ of Profit on Sale} = \frac{\text{Profit}}{\text{Sales}} \times 100$$

$$= \frac{5000}{2500} \times 100$$

$$= 20\%$$



### (4) Cost Accounting

- Objective is to Provided Product cost or Unit Cost
- Controlling Cost is it Cost of the Objectives
- Data from Cost Accounting is of our internally
- It Provide information to determine Selling Price

### financial Accounting

- objective is to reveal financial position
- focus for here is on acceptancy of the transaction
- used by internal as well as external stock holders.
- This Does not Determine the Selling Price of Product.

