

January 2016

Bachelor of Business Administration (BBA) Examination

III Semester

Business Costing

Time 3 Hours]

[Max. Marks 80

Note : Attempt all four questions. All questions carries equal marks.

- Q. 1.** Define Cost Accounting and explain its objectives.
- Q. 2.** A firm of builders, carrying out large contracts kept in a contract ledger separate accounts for cash contract. The following particulars relate to Contract "A" carried out during the year ended 30th June, 2015:
- | Particulars | Rs. |
|---|----------|
| Work certified by Architects | 1,43,000 |
| Cash Received from the Contractee | 1,30,000 |
| Materials sent to Site | 64,500 |
| Labour engaged on Site | 54,800 |
| Plant installed on Site | 11,300 |
| Value of Plant at 30th June, 2015 (Closing) | 8,200 |
| Cost of Work-not yet certified | 3,400 |
| Establishment Charges | 3,250 |
| Direct Expenditure | 2,400 |
| Wages Accrued Due at End | 1,800 |
| Materials, Closing Balance | 1,400 |
| Materials returned to Store | 400 |
| Direct Expenses Accrued Due at End | 200 |
| Contract Price | 2,00,000 |
- You are required to prepare on account, showing the profit on the Contract up to 30th June, 2015.
- Q. 3.** The output from Process X transferred to Process Y was 2,500 units. Normal Loss was 10% of input in Process X and was 300 units. 200 units were reported to be as abnormal Loss. The other information is given below:
- Materials introduced @ Rs. 5 per unit, Labour Cost Rs. 4,000 and Overheads Rs. 3,350 and Normal Loss realized Rs. 2.50 per unit.
- You are required to prepare
- Process X Account
 - Abnormal Loss Account.

- Q. 4.** The following data has been extracted from the books of M/s XYZ Industries Ltd. for the Financial Year ending on 31st March, 2015:

Particulars	Rs.
Opening Stock of Raw Material	40,000
Purchase of Raw Material	80,000
Closing Stock of Raw Material	50,000
Carriage Inward	15,000
Wages-Direct	65,000
Wages-Indirect	10,000
Other Direct Charges	15,000
Rent and Rates - Factory	5,000
Rent and Rates - Office	500
Indirect Consumption of Material	500
Depreciation - Plant and Machinery etc.	1,500
Depreciation - Office Furniture	100
Salary - Office	2,500
Salary - Salesmen	2,000
Other Factory Expenses	5,700
Other Office Expenses	900
Other Selling Expenses	1,000
Travelling Expenses of Salesmen	2,100
Carriage and Freight Outward	1,000
Sales	2,50,000
Advance Income Tax Paid	5,000
Advertisement	1,000
Interest on Loan	3,500
Managing Directors Remuneration - Factory	4,000
Managing Directors Remuneration - Office	2,000
Managing Directors Remuneration - Selling Department	6,000

From the above information prepare a Statement of Cost showing Profit for the Financial Year 2014.15.

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