GOA UNIVERSITY

T.Y.B.Com. (CBCS) (Semester-VI)

Subject Name: Cost Accounting - Advanced Cost Accounting II

Paper Title: Advanced Cost Accounting II **Paper Code: UCOD126**

Duration: 2:00 Hours **Total Marks: 80**

Instructions: i) Question No. 1 is compulsory.
ii) Answer any THREE questions from Question No. 2 to Question No. 6.
iii) Figures to the right indicate marks to the question/sub question.

Q.1 Product M passes through three processes before it is transferred to Finished stock. The following information is obtained for the month of December 2024.

Particulars	Process I	Process II	Process III	Finished Stock
	₹	₹	₹	₹
Opening stock	20000	24000	16000	60000
Direct Material	40000	42000	60000	
Direct Wages	30000	30000	32000	
Production Overheads	28000	12000	80000	
Closing Stock	10000	12000	8000	30000
Profit on cost	33.33%	25%	25%	
Inter Process Profit for opening stock	0	4000	4000	22000

Stocks in process are valued at prime cost and finished stock has been valued at a price at which it is received from process II. Sales during the period were ₹ 8,00,000.
Prepare Process accounts and Finished stock Account. **(20 Marks)**

Q.2 Rex Ltd. commenced a contract on 1st July 2019. The total contract was accepted by Rex Ltd. for ₹ 450000. It was decided to estimate the total profit and to take to the credit of Profit and loss A/c the proportion of estimated profit on cash basis which the work completed bore to the total contract. Actual expenditure in 2019 and estimated expenditure in 2020 are given below.

Particulars	Actual (₹)	Estimated (₹)
	Till 31-12- 2019	For 2020
Material	75000	130000
Labour	55000	60000
Plant purchased (Original Cost)	40000	0
Misc. Expenses	20000	35500
Plant returned to store on 31st Dec on cost	10000	25000 (on 30-9-2020)
Material at site	5000	0
Work Certified	200000	Full
Work Uncertified	7500	0
Cash Received	180000	Full

The plant is subject to annual depreciation @ 20 % of cost. The contract is likely to be completed on 30th September 2020. Prepare the contract Account and Estimated contract account.

X8YADD9EBX8YADD9EBX8YADD9EBX8YADD9EB

(20 Marks)

Q.3 Journalise the transactions considering cost and financial accounts are integrated.

(20 Marks)

Sr. No.	Particulars	₹
1	Raw materials purchased on credit	140000
2	Wages paid	160000
3	Wages productive	150000
4	Material issued to production	120000
5	Works expenses incurred	60000
6	Finished product transferred	300000
7	Office and administration expenses paid	41000
8	Office and administration expenses charged to production	40500
9	Selling overheads charged to sales	40000
10	Sales on Credit	400000

Q.4 A) Following data relates to Shreyasi Pvt. Ltd. Mapusa Goa.

Opening Work in progress = 2000 Units

Degree of completion of Opening Work in Progress:

Elements	Degree of completion	Amount (₹)
Material	100 %	7500
Labour	60 %	3000
Overheads	60 %	1500

Units introduced into process are 8000 Units.

At end of the period there are 2000 units in process and stage of completion is estimated to be as below:.

Elements	Degree of completion	Amount (₹)
Material	100 %	100000
Labour	50 %	78000
Overheads	50 %	39000

Completed Units transferred to next process are 8000 units.

Prepare: (Using Average Cost Method)

1. Statement of Equivalent Production
2. Statement of cost
3. Statement of Evaluation

(10 Marks)

Q.4 B) Describe the pre-requisites to be considered while installing a uniform costing system.

(10 Marks)

X8YADD9EBX8YADD9EBX8YADD9EBX8YADD9EB

Q.5 A) The following balances appeared in the books of Clever green Enterprises on 1st January 2025. Prepare General Ledger Adjustment a/c, Stores Ledger Control Account, and Work in progress ledger control A/c. **(10 Marks)**

Particulars	Dr (₹)	Cr. (₹)
General Ledger Adjustment A/c		188750
Stores Ledger Control A/c	53375	
Work In Progress Ledger Control A/c	104595	
Finished Goods Ledger Control A/c	30780	
	188750	**188750**
On 31-12-2025 following transactions furnished		₹
Material Purchased		26700
Stores issued to production		40000
Stores issued for factory repairs		900
Wages paid (including indirect wages 23000)		77500
Production overheads incurred		95200
Administration overheads incurred		25000
Selling and Distribution Overheads incurred		17000
Sales		300000
Returns to suppliers		1000

Q.5 B) Discuss the advantages and disadvantages of Inter firm comparison. **(10 Marks)**

Q.6 Write short notes on any **FOUR** of the followings: **(4 x 5 = 20 Marks)**

a) Advantages of Responsibility Accounting

b) Meaning and scope of Activity Based Costing

c) Cost Plus Contract

d) Equivalent Production

e) Advantages of Integral Accounting System

X8YADD9EBX8YADD9EBX8YADD9EBX8YADD9EB

Q.5 A) The following balances appeared in the books of Clever green Enterprises on 1st January 2025. Prepare General Ledger Adjustment a/c, Stores Ledger Control Account, and Work in progress ledger control A/c . **(10 Marks)**

Particulars	Dr (₹)	Cr. (₹)
General Ledger Adjustment A/c		188750
Stores Ledger Control A/c	53375	
Work In Progress Ledger Control A/c	104595	
Finished Goods Ledger Control A/c	30780	
	188750	**188750**
On 31-12-2025 following transactions furnished		₹
Material Purchased		26700
Stores issued to production		40000
Stores issued for factory repairs		900
Wages paid (including indirect wages 23000)		77500
Production overheads incurred		95200
Administration overheads incurred		25000
Selling and Distribution Overheads incurred		17000
Sales		300000
Returns to suppliers		1000

Q.5 B) Discuss the advantages and disadvantages of Inter firm comparison. **(10 Marks)**

Q.6 Write short notes on any **FOUR** of the followings: **(4 x 5 = 20 Marks)**

a) Advantages of Responsibility Accounting

b) Meaning and scope of Activity Based Costing

c) Cost Plus Contract

d) Equivalent Production

e) Advantages of Integral Accounting System

X8YADD9EBX8YADD9EBX8YADD9EBX8YADD9EB