

at a contract price of Rs. 15,00,000. The contractee has to make cash payment of 75% of the work certified and the remaining is to be paid on completion of contract. Building operations started on 1<sup>st</sup> January, 2017 and its following information are available in respect of the contract for the year ended 31<sup>st</sup> Dec., 2017.

Amount received from contract	Rs.3,37,500
Uncertified work	Rs. 30,000
Unused material at site	Rs. 9,500
Plant at site (depreciated value)	Rs.25,500
Wages due but not paid	Rs.2,600
Reserved profit for the year 2017	Rs. 25,000

The following information is supplied in respect of the contract for the year ended on 31-12-2018.

	Rs.		Rs.
Materials supplied	1,70,000	Wages paid	90,200
Materials transferred to other contract	32,000	Other expenses	11,800
Materials transferred from other contract	95,000	Other plant issued on 1-9-2018	12,000
Overheads chargeable to contract	45,000	Work certified on 31-12-2018	10,00,000
Materials returned to stores	3,200	Unused material at site on 31-12-2018	23,925
Material stolen away from the site (at cost)	2,800	Wages due but not paid on 31-12-2018	7,400
Sale of materials (cost price Rs. 6800)	8,000		

Provide depreciation on plant at 15%. The cost of work done but not certified was Rs.27,000 on 31-12-2018. Contractor takes 2/3 profit on cash basis to P & L a/c. Prepare contract account for the year ended on 31-12-2018 and Work in Progress a/c for the year 2017. Also show necessary calculations.

Q-2. Patel Transport Company has been given a route of 50 km for running buses. [15]  
The company has two buses, each costing Rs.440,000 and having a life of 8 years, with a scrap value of Rs.20,000 per bus.

From the following estimated expenditure and other details, calculate cost per passenger km and the bus fare to be charged to each passenger for each way journey, assuming 50% profit on takings.

Annual tax for each bus	Rs.42,000
Garage rent per month for 2 buses	Rs.6,000