

The following information has been obtained on security of cost accounts;

(1) Materials and Wages are charged at actual cost.(2) Factory expenses have been allocated at 50% of wages.(3) Office expenses have been charged at 10% of work cost.(4)Sales expenses have been charged at Rs.2-50 per unit. On units sold.

From the above information prepare:-

(1)Statement showing profit/loss as per cost accounts.(2) Statement showing reconciliation of profit or loss as per cost accounts and financial accounts.

Q-2 Write Short Note(any one)

- (1) Behavior-wise Classification of overheads
- (2) Objective of Cost Accounting
- (3) Advantage of Costing

OR

Q-2 In one company there are three production department and two service department. The following figures are available from its books.

Rent and rats -- Rs. 10000	Power --	Rs. 3000
Indirect labor -- Rs. 3000	General light-	Rs. 1200
Depreciation -- Rs. 20000	Misc. expenses-	Rs. 20000

The following was additional information

Particulars	Production department			Service depts.	
	A	B	C	D	E
Area occupied (Sq.Mirs.)	2000	2500	3000	2000	500
Light point	10	15	20	10	5
Direct labour (Rs.)	3000	2000	3000	1500	500
Horse power of machine	60	30	50	10	--
Cost of machine	60000	80000	10000	5000	5000
Hours worked	6226	4028	4066	--	--

The expenses of service departments are allocated as under

	A	B	C	D	E
D	20%	30%	40%	--	10%
E	40%	20%	30%	10%	--