GVM's GGPR College of Commerce & Economics, Farmagudi- Ponda, Goa.

B.Com (Semester VI) Intra Semester Assessment (Test-I), January 2020

COST AND MANAGEMENT ACCOUNTING

Advanced Cost Accounting - DSE 7

Duration: 30 minutes Marks: 10

Instructions: 1. Answer Q. no 1.

- 2. Working notes should form part of your answer.
- 3. Figures to the right indicate marks assigned to each question.

Q1) A manufacturing company produces a certain product which passes through 2 different processes A and B, before it is completed and transferred to the finished stock. (10 marks)

Particulars	A	В
Direct materials (Rs.)	30,000	7,500
Direct wages (Rs.)	22,500	15,000
Production overheads	15,000	9,000
Closing stock of material (Rs.)	7,500	9,500

Sale of Finished goods amounted to Rs. 1,25,000 and closing stock of finished goods valued at Rs. 12,250. The output of each process is transferred to the next process at an amount which will yield 20% profit on transfer price, the transfer from process B to finished stock is to be similarly treated. Prepare the 2 process accounts and the Finished stock account.

