

# ACCOUNTANCY AND FINANCIAL MANAGEMENT

## ASSIGNMENT

NAME - TRYAMBAK DE

Class Roll No - Dx - 11

Exam Roll No. - 511015010

Department - MECHANICAL ENGINEERING

Semester - 7th

# Journal Entry, Ledger & Trial Balance

LOKENATH

Page No.

Date

## Journal

In the books of Mr. X

Journal Folio No. (J-1)

Date	Particulars	L.F.	Dr. Amount (₹)	Cr. Amount (₹)
2007	Cash A/c	Dr. L-1	10,00,000	
Jan 1	To Capital A/c [Being the capital to start the business]	1-2		10,00,000
5	Machinery A/c To Cash A/c [Being machinery purchased]	Dr. L-3 L-1	1,00,000 1,00,000	
10	Purchase A/c To Cash A/c [Being goods purchased]	Dr. L-4 L-1	20,000 20,000	
15	Furniture A/c To Mr. A A/c [Being furniture purchased from Mr. A on credit]	Dr. L-5 L-10	50,000 50,000	
20	Purchase A/c To Mr. B A/c [Being goods obtained from Mr. B on credit]	Dr. L-4 L-11	10,000 10,000	
25	Wages A/c To Cash A/c [Being wages paid in cash]	Dr. L-6 L-1	50,000 50,000	
30	Bank A/c To Cash A/c [Being the deposit to open a bank A/c]	Dr. L-7 L-1	5,00,000 5,00,000	

## Journal Folio No. (J-2)

Date	Particulars	L.F.	Dr. Amount (₹)	Cr. Amount (₹)
2007	Rent A/c	Dr L-8	5000	
Feb 1	To Bank A/c [Being rent paid by cheque]	L-7		5000
5	Cash A/c To Sales A/c [Being goods sold]	Dr L-1 L-9	30,000 30,000	
10	Mr. M A/c To Sales A/c [Being goods sold on credit]	Dr L-12 L-9	25,000 25,000	
15	Cash A/c To Mr. M A/c [Being cash received from Mr. M]	Dr L-1 L-12	12,000 12,000	
	Cash A/c To Mr. M A/c [Being receipt of cheque from Mr. M]	Dr L-1 L-12	5000 5000	
20	Discount Allowed A/c To Mr. M A/c [Being discount allowed to Mr. M]	Dr L-13 L-12	1000 1000	
25	Bank A/c To Cash A/c [Being cheque received on 15 Feb sent to bank]	Dr L-7 L-1	5,000 5,000	
28	Mr. A A/c To Bank A/c To Discount Received A/c [Being full settlement of Mr. A's dues by cheque]	Dr L-10 L-7 L-22	50,000 45,000 5,000	

## Journal Folio No. (J-3)

Date	Particulars	L.F.	Dr. Amount (₹)	Cr. Amount (₹)
2007	Depreciation A/c	DR L-14	500	
March 1	To Furniture A/c [Being depreciation of furniture]	L-5		500
5	Mr. B A/c To Cash A/c [Being cash paid to Mr. B]	DR L-11 L-1	10,000	10,000
10	Mr. M A/c To Bank A/c [Cheque received from Mr. M being dishonoured]	DR L-12 L-7	5,000	5,000
15	Bad Debt A/c To Mr. M A/c [Being Mr. M declared insolvent]	DR L-15 L-12	12,000	12,000
30	Investment A/c To Cash A/c [Being investment made in RBI bond]	DR L-16 L-1	50,000	50,000
25	Bank A/c To Interest A/c [Being interest received by cheque]	DR L-7 L-19	100	100
30	Cash A/c To Mr. Q A/c [Being loan taken from Mr. Q]	DR L-1 L-18	50,000	50,000

## Journal Folio No. (J-4)

Date	Particulars	L.F.	Dr Amount (₹)	Cr. Amount (₹)
2007	Interest A/c	Dr L-19	500	
April 1	To Cash A/c	L-1		500
	[Being interest paid in cash]			
5	Drawings A/c	Dr L-20	5000	
	To Bank A/c	L-7		5000
	[Being cash withdrawn from Bank]			
10	Drawings A/c	Dr L-20	1000	
	To Purchase A/c	L-4		1000
	[Being goods drawn by proprietor]			
15	Accounting charges A/c	Dr L-21	30,000	
	To Cash A/c	L-1		30,000
	[Being accounting charges paid to self]			

### Ledger

Dr.	Cash A/C (L.F. 1)				Cr.		
Date	Particulars	J.F.	Amount (₹)	Date	Particulars	J.F.	Amt (₹)
2007				2007			
Jan 1	To Capital A/c	J-1	10,00,000	Jan 5	By Machinery A/c J-1		1,00,000
Feb 5	To Sales A/c	J-2	30,000	Jan 10	By Purchase A/c J-1		20,000
Feb 15	To Mr. M A/c	J-2	12,000	Jan 25	By Wages A/c J-1		50,000
March 30	To Mr. Q A/c	J-3	50,000	Jan 30	By Bank A/c J-1		5,00,000
				March 5	By Mr. B A/c J-3		10,000
				March 20	By Investment A/c J-3		50,000
				April 1	By Interest A/c J-4		500
				April 15	By Accounting Charges A/c	J-4	30,000
				April 30	By Balance c/d		3,31,500
			10,92,000				10,92,000
May 1	To Balance b/d		3,31,500				

Dr.	Capital A/c (I.F.-2)				Cr.		
Date	Particulars	J.F.	Amt (₹)	Date	Particulars	J.F.	Amt (₹)
2007				2007			
Jan 31	To Balance c/d		10,00,000	Jan 1	By Cash A/c J-1		10,00,000
			10,00,000				10,00,000
				Feb 1	By Balance b/d		10,00,000

Dr.				Purchase A/c (LF-4) Cr.			
Date	Particulars	J.F.	Amt (₹)	Date	Particulars	J.F.	Amt (₹)
2007				2007			
Jan 10	To Cash A/c J-1		20,000	Abc. 10 By Drawings A/c J-4			1000
Jan 20	To Mr. B A/c J-1		10,000	Abc. 30 By Balance b/d			29,000
			30,000				30,000
May 1	To Balance b/d		29,000				

Dr.				Furniture A/c (L.F.-5)				Cr.	
Date	Particulars	J.F.	Amt. (₹)	Date	Particulars	J.F.	Amt. (₹)		
2007				2007					
Jan 15	To M/s. A/c	J-1	50,000	March 31	By Depreciation A/c	J-3	500		
				March 31	By Balance off		49,500		
			50,000				50,000		
April 1	To Balance b/d		50,000						

Dr.

## Wages A/C (LF-6)

Cr.

Date	Particulars	J.F.	Amt (₹)	Date	Particulars	J.F.	Amt (₹)
2007				2007			
Jan 25	To Cash A/c	J-1	50,000	Jan 31	By Balance c/d		50,000
			50,000				50,000
Feb 1	To Balance b/d		50,000				

Dr.

## Bank A/C (LF-7)

Cr.

Date	Particulars	J.F.	Amt (₹)	Date	Particulars	J.F.	Amt (₹)
2007				2007			
Jan 30	To Cash A/C	J-1	5,00,000	Feb 1	By Rent A/c	J-2	5,000
March 25	To Interest Received A/c	J-3	100	Feb 28	By Mr. A/c	J-2	95,000
				Abr. 15	By Drawing A/c	J-4	5,000
				Abr. 30	By Balance c/d		4,45,100
			5,00,100				5,00,100
May 1	To Balance b/d		4,45,100				

Dr.

## Rent A/C (LF-8)

Cr.

Date	Particulars	J.F.	Amt (₹)	Date	Particulars	J.F.	Amt (₹)
2007				2007			
Feb 1	To Bank A/c	J-2	5000	Feb 28	By Balance c/d		5000
			5000				5000
March 1	To Balance b/d		5000				

## Sales A/C (LF - 9)

Date	Particulars	J.F.	Amt (₹)	Date	Particulars	J.F.	Amt (₹)
2007				2007			
Feb 28	To Balance c/d		55000	Feb 5	By Cash A/c J-2	30 000	
					By Mr M A/c J-2	25 000	
			55000				55 000
				March 1	By Balance b/d		55000

Mr. A AFC (LF-10)

Mr. B AFC (LF-11)

Dr.			Cr.		
Date	Particulars	J.F. Amt (₹)	Date	Particulars	J.F. Amt (₹)
2007			2007		
March 5	To Cash A/c	J-3 10000	Jan 20	By Purchase A/c	J-1 10000
		10000			10000

Dr.

Mrs. M A/c (LF-12) Cr.

Date	Particulars	J.F.	Amt. (₹)	Date	Particulars	J.F.	Amt. (₹)
2007				2007			
Feb 10	To Sales A/c	J-2	25000	Feb 15	By Cash A/c	J-2	12000
				Feb 20	By Bad Debt	J-3	12000
				Feb 28	By Balance b/d		1000
			25000				25000
March 1	To Balance b/d		1000				

Discount Allowed A/c (LF-13)

Dr.

Cr. Co. Ltd.

Date	Particulars	J.F.	Amt. (₹)	Date	Particulars	J.F.	Amt. (₹)
2007				2007			
Feb 20	To Mr. M A/c	J-2	1000	Feb 28	By Balance c/d		1000
							1000
March 1	To Balance b/d		1000				

Dr.

Depreciation A/c (LF-14) Cr.

Date Particulars J.F. Amt. (₹) Date Particulars J.F. Amt. (₹)

2007			2007			
March 1	To Furniture A/c	J-3	500	March 31	By Balance c/d	500
						500
April 1	To Balance b/d		500			

Dr.

## Bad Debt A/c (LF-15) Cr.

Date	Particulars	J.F.	Amt (₹)	Date	Particulars	J.F.	Amt (₹)
2007							
March 15	To M/s M/A/C	J-3	12000	March 31	By Balance c/d		12000
			12000				12000
April 1	To Balance b/d						

Dr.

## Investment A/c (LF-16) Cr.

Date	Particulars	J.F.	Amt (₹)	Date	Particulars	J.F.	Amt (₹)
2007							
March 20	To Cash A/c	J-3	50000	March 31	By Balance c/d		50000
			50000				50000
April 1	To Balance b/d						

Dr.

## Interest Received A/c (LF-17) Cr.

Date	Particulars	J.F.	Amt (₹)	Date	Particulars	J.F.	Amt (₹)
2007				2007			
March 31	To Balance c/d		50000	Mar. 30	By Cash A/c	J-3	50000
			50000				50000
April 1	By Balance b/d						50000

Dr.

## Mr. Q A/c (LF-18)

Cr.

Date	Particulars	J.F.	Amt(₹)	Date	Particulars	J.F.	Amt(₹)
2007				2007			
March 31	To Balance b/d		50 000	March 30	By Cash A/c J-3		50 000
			50 000				50 000
				April 1	By Balance b/d		50 000

Dr.

## Interest A/c (LF-19)

Cr.

Date	Particulars	J.F.	Amt(₹)	Date	Particulars	J.F.	Amt(₹)
2007				2007			
April 1	To cash A/c J-4	500		April 30	By Balance b/d		500
			500				500
May 1	To Balance b/d		500				

Dr

## Drawings A/c (LF-20)

Cr.

Date	Particulars	J.F.	Amt(₹)	Date	Particulars	J.F.	Amt(₹)
2007				2007			
April 15	To Bank A/c J-4	5000		April 30	By Balance b/d		6000
April 10	To Goods A/c J-4	1000					
			6000				6000
May 1	To Balance b/d						

Dr.

## Accounting Charges A/c (LF-21)

Cr.

Date	Particulars	J.F.	Amt(₹)	Date	Particulars	J.F.	Amt(₹)
2007				2007			
April 15	To Cash A/c J-4	30 000		April 30	By Balance b/d		30 000
			30 000				30 000
May 1	To Balance b/d		30 000				

Dr. Discount Received A/c (LF-22) Cr.

Date	Particulars	J.F.	Amt (£)	Date	Particulars	J.F.	Amt (£)
2007				2007			
Feb 28	To Balance Crd		5000	Feb 28	By A/c J-2	5000	
			5000				5000
				March 1	To Balance Crd		5000

## Trial Balance

Particulars	Dr.	Cr.
	Amt (₹)	Amt (₹)
Capital		10,00,000
Drawings	6000	
Loans		50,000
Furniture.	49,500	
Machinery	50,000	
Investment	50,000	
Cash in hand	3,31,500	
Bank	4,45,100	
Sales		55,000
Goods	29,000	
Wages	50,000	
Discount Received		5000
Interest Received		100
Accounting charges	30,000	
Bad. Debt	12,000	
Depreciation	500	
Discount Allowed	1000	
Interest	500	
Rent	5000	
	11,10,100	11,10,100

Trial Balance

Dr:

Cr.

27

1. Particulars	Amt (₹)	Amt (₹)
Cash in hand	2,400	
Capital		2,00,000
Purchase	2,40,000	
Opening stock	70,000	
Debtors	1,00,000	
Bills payable		44,000
Plants & Machinery	1,20,000	
Sales		4,00,000
Creditors		48,000
Furniture	30,000	
Bills Receivable	40,000	
Rent and taxes	20,000	
Wages	32,000	
Salaries	37,600	
	6,92,000	6,92,000

### Trial Balance

Cr.	Particulars	Dr. Amt (₹)	Cr. Amt (₹)
Amt (₹)	Plant and Machinery	13,000	
100,000	Capital		25,000
	Buildings	17,000	
14,000	Loans		5,000
	Receivables	9650	
48,000	Purchases	18,000	
	Discount Allowed	1,200	
100,000	Sales		85,000
48,000	Wages	7000	
	Salaries	3000	
1000	Travelling Expenses	750	
	Accounts payable		4000
	Freight	200	
	Insurance	300	
	Commission paid	100	
	Bills payable		5000
	Cash in hand	100	
	Bank	1600	
	Purchase Return		2000
	Repair	500	
	Interest on Loan	600	
	Opening stock	6000	
	Dividends received		3000
		79,000	79,000

## LOKENATH

Page No. \_\_\_\_\_  
Date \_\_\_\_\_

3/

## Trial Balance

Particulars	Dr.	Cr.
	Amt (₹)	Amt (₹)
Plant and Machinery	1,20,000	
Rent, Rates & Taxes	20,000	
Sales		3,00,000
Sales Return	80,000	
Freight	4,000	
Account Receivables	70,000	
Purchase, Return		10,000
Opening Inventory	1,20,000	
Bills Payable		26,000
Purchases	2,30,000	
Discount paid	5,000	
Interest on Bank loan	5,000	
Salaries	70,000	
Accounts payable		40,000
Cash in hand	5000	
Legal Charges	500	
Bank loan		1,50,000
General Expense	8000	
Cash at bank	20,000	
Capital		1,81,500
	7,07,500	7,07,500

## Trial Balance

Particulars	Dr.	Cr.
	Amt (₹)	Amt (₹)
Cash in hand	. 1500	
Sales		
Return outwards		
Cash at bank	3000	
Purchases	1,10,000	
Return inwards	1500	
Wages	20,000	
Power & fuel	8,000	
Carriage outwards	6,000	
Carriage inwards	5,000	
Opening inventory	6,000	
Land	10,000	
Buildings	80,000	
Accounts payable		30,000
Machinery	30,000	
Capital		56,000
Patents	15,000	
Accounts receivable	15,000	
Salaries	12,000	
Sundry Expenses	6,000	
Insurance	1,000	
Drawings	8,000	
	3,38,000	3,38,000

57

LOKENATH  
Page No.  
Date

Trial Balance		Dr.	Cr.	
Particulars		Amt (₹)	Amt (₹)	
Cash at bank		1200		
Office furniture		6000		
Account receivables		15000		
* Commissions		1200		
Bills receivable		3500		
Power and fuel		6000		
Sales			1,50,300	
Plant & Machinery		24,000		
Capital			27,000	
Office Expenses		2000		
Purchases		60,000		
Carriage Inwards		1200		
Rent Received			3500	
Carriage outwards		3500		
Discount received			1000	
Rent, rate & taxes		1700		
Dividend received			2000	
Household premises		25000		
Account payable			12000	
Wages		30000		
Salaries		7000		
Bills payable			8000	
Opening inventory		12000		
Drawings		7000		
Sales Returns		2000		
Purchase returns			5000	
Cash in hand		500		
		2,08,800	2,08,800	

\* In the absence of any specific information Commission is assumed to be an expenditure.

67

LOKENATH  
Page No.  
Date

Trial Balance		Dr.	Cr.
Particulars		Amt (₹)	Amt (₹)
Opening inventory		72000	
Furniture		15000	
Purchases		225000	
Shyam Cr.			24000
Motor Car		30000	
Ram Cr.			32000
Buildings		425800	
Kishore Dr.		20000	
Sanjay Dr.		12000	
Purchase Returns			1800
Raghav Dr.			1800
Sales			350000
Advertisement		22000	
Repairs & Maintenance		13000	
General Expenses		16000	
Insurance		7000	
Capital			500000
Cash in hand		3500	
Salaries		30000	
Cash at bank		6000	
* Commissions			7500
		9,15,300	9,15,800

\* In the absence of any specific information, commissions have been assumed to be an income.

7.)

LOKENATH  
Page No. \_\_\_\_\_  
Date \_\_\_\_\_

Trial Balance		Dr.	Cr.
Particulars		Amt (₹)	Amt (₹)
Plant & Machinery		5000	
Office furniture and fittings		260	
Opening stock		4800	
Motor Van		1200	
* Discount			870
Sundry Debtors		4570	
Cash in hand		40	
Cash at bank		650	
Return outwards			550
Wages		15,000	
Rent		600	
Sales			48,000
Salaries		1400	
Reserves			250
Drawings		700	
Sundry Creditor			52000
Purchases		21350	
Bills receivable		720	
Return inward		880	
Bills payable			560
General expenses		373	
Bad debt.		27	
Discount (Dr.)		650	
Capital			4000
Insurance		630	
Factory Rent.			80
		58,930	58,930

\* In the absence of any specific information, Discount is assumed to be an income.

8.)

Trial Balance

LOKENATH  
Page No. \_\_\_\_\_  
Date \_\_\_\_\_

Particulars	Dr.	Cr.
	Amt (₹)	Amt (₹)
Opening stock	46,000	
12% bank loan		1,50,000
Purchases	4,42,000	
Sundry creditors		40,000
Wages	43,500	
Salaries	66,000	
Sales return	8,000	
Carriage outwards	12,000	
Sales		8,20,000
Capital		1,76,900
Carriage inwards	39,100	
Advertisement Expenses	10,200	
Sundry Debtors	45,000	
Bills Receivable	9,000	
Furniture	2,00,000	
Bad Debts	800	
Office Equipment	1,99,700	
Land & Building	3,36,000	
Rents & taxes	5300	
Office electricity expenses	9400	
Telephone charges.	4400	
Cash at Bank	18,000	
Bills payable		10,000
Printing & Stationery	11,200	
Postage, Stamps	1090	
Reserve for discount on credit	1700	
Petty cash	210	
Discount received		2200
Prepaid printing	1200	
Interest on Bank loan paid	1500	
Insurance premium	3000	
Purchase return		12000
Reserve		3200
	15,14,300	15,14,300

91

LOKENATH
Page No.
Date

LOKENATH
Page No.
Date

<u>Trial Balance.</u>		<u>Trial Balance.</u>	
Particulars	Amt (₹)	Particulars	Amt (₹)
	Dr.		Cr.
Particulars	Amt (₹)	Particulars	Amt (₹)
Capital	2,28,000	Capital	1,00,000
Drawings	13,200	Furniture	20,000
Plant & Machinery	99,000	Purchase	1,50,000
Fixed Assets	66,000	Debtors	2,00,000
Purchases	1,10,000	Interest earned	4000
Revenues outwards	1100	Salaries	30,000
Salaries	13,200	Reserves	8000
Office expenses	2750	Wages	20,000
Office Furniture	5500	Rent	15,000
Discount (Dr.)	1320	Creditors	1,20,000
Sundry Debtors	29,260	Sales Return	10,000
To Shri Krishna	41,000	Bad debt	7000
Cash at bank	29,260	Sales	3,21,000
Bills payable	5500	Drawings	24,000
Sales	2,31,440	Printing & Stationery	8,000
Stock	38,500	Purchase Return	5000
Wages	35,200	Insurance	12,000
Sundry Creditors	49,000	Opening stock	50,000
Postage and Telegrams	1540	Office expenses	12,000
Insurance	1760		5,58,000
Gas & fuel	2970		5,58,000
Bad debts	660		
Office Rent	2360		
Freight	9900		
Loose tools	2200		
Factory lighting	1100		
Revenue	880		
To Shri Krishna	1100		
Cash in hand	2640		
Suspense	5,12,820		5,12,820

Final Accounts Problems.

LOKENATH

Page No. \_\_\_\_\_  
Date. \_\_\_\_\_

In the books of Mrs. X

Trading A/c

For the year ended

C.Y.

Dr.	Particulars	Amt (₹)	Amt (₹)	Particulars	Amt (₹)	Amt (₹)
To Opening Stock		70,000		By Sales		1,00,000
To Purchase		240,000		By Closing Stocks		50,000
To Wages		32,000				
Add: Wages Outstanding		5,000				
To Gross Profit (transferred to Profit & Loss A/c)		1,03,000				
		1,50,000				
					1,50,000	

Profit & Loss A/c

For the year ended

C.Y.

Dr.	Particulars	Amt (₹)	Amt (₹)	Particulars	Amt (₹)	Amt (₹)
To Depreciation on Plant & Machinery		12,000		By Gross Profit		1,03,000
To Depreciation on Furniture		1,500				
To Rent & Taxes		20,000				
To Salaries		37,600				
To Net Profit (transferred to Capital A/c)		81,900				
		1,03,000				
					1,03,000	

Balance Sheet

as on 31.12.2018

Liabilities	Amt (₹)	Amt (₹)	Assets	Amt (₹)	Amt (₹)
Capital,	200,000		Cash in hand		2400
Add: Net Profit	31,900	231,900	Plant & Machinery	120,000	
			Less: Depreciation		
Creditors	48,000	@ 10% p.a.	(12,000)	108,000	
Wages outstanding	5,000				
Bills payable	44,000		Furniture	30,000	
			Less: Depreciation (1500)	28,500	
			@ 5% p.a.		
			Debtors	1,00,000	
			Bills Receivable	40,000	
			Closing stock	50,000	
				3,28,900	
					3,28,900

2.) In the books of Mr. X  
Trading A/c  
For the year ended

Dr.			Credit		
Particulars	Amt(₹)	Amt(₹)	Particulars	Amt(₹)	Amt(₹)
To Opening stock		6000	By Sales		35,000
To Purchase	18000		By Closing Stock		8,000
Less: Purchase Return	(2000)	16000			
To Wages		7000			
To Freight		200			
To Gross Profit		13,800			
(transferred to Profit & Loss A/c)					
		43000			43000

Profit & Loss A/c

For the year ended C.R.

Dr.		C.R.			
Particulars	Amt(₹)	Amt(₹)	Particulars	Amt(₹)	Amt(₹)
To Interest on Lm		600	By Gross Profit		13800
To Depreciation on Plant & Machinery	1950		By Dividend Received		3000
To Depreciation on Building	700	3650			
To Repairs		500			
To Discount allowed		1200			
To Salaries		3000			
To Travelling Expenses		750			
To Commission		100			
To Insurance	300				
Less: Prepaid Insurance (50)	250				
To Net Profit (transferred to Capital A/c)		6750			
		16,800			16,800

Balance sheet  
as on 31.12.2018

Liabilities	Amt(₹)	Amt(₹)	Assets	Amt(₹)	Amt(₹)
Capital	25000		Plant & Machinery	13000	
Add: Net Profit	6750	31750	Less: Depreciation		
Loans	5000	@ 15% p.a.	(1950)	11,050	
Accounts payable	4000				
Bills payable	5000		Buildings	17000	
			Less: Depreciation @ 10% p.a.	(1700)	15300
			Closing Stock	8000	
			Receivables	9650	
			Banks	1600	
			Cash in hand	100	
			Insurance prepaid	50	
					45,750

3.7

In the books of Mr. X

Trading A/c for the year ended

Cr.

Dr.	Particulars	Amt (₹)	Amt (₹)	Particulars	Amt (₹)	Amt (₹)
To Opening Stock	120000	By Sales		300000		
To Purchase	230000	Less: Sales Return	(30000)	270000		
Less: Purchase Return	(10000)	By Closing Stocks		120000		
To Freight	1000					
To Gross Profit (transferred to Profit & Loss A/c)	16000					
	390000			390000		

## Balance Sheet

as on 31.12.2018

Liabilities	Amt (₹)	Amt (₹)	Assets	Amt (₹)	Amt (₹)
Capital	181500		Plant & Machinery	1,20,000	
Less: Net Loss	(69500)	1,12,000	Account Receivable	70000	
Bank Loan	150000		Closing Stock	1,20,000	
Outstanding Interest	7000		Cash in hand	5000	
Bills Payable	26000		Cash at bank	20000	
Accounts Payable	40000				
			3,35,000		
					3,35,000

## Profit &amp; Loss A/c

For the year ended

Cr.

Dr.	Particulars	Amt (₹)	Amt (₹)	Particulars	Amt (₹)	Amt (₹)
To Rent & Taxes	20000	By Gross Profit		16000		
To Discount paid	5000	By Net Loss		69500		
To Legal Charges	500	(transferred to Capital A/c)				
To General Expenses	8500	Capital A/c				
To Salaries	70000					
To Interest						
Bank loan	5000					
Add: Outstanding interest	7000	12000				
	315500			115500		

4/2

In the books of Mrs. X  
Trading A/c for the year ended

Dr.	Cr.	Liabilities	Amt.(₹)	Dr.	Assets	Amt.(₹)	Cr.
Particulars	Amt.(₹)	Particulars	Amt.(₹)	Capital (50000) Less: Drawings (15000) Add: Net Profit 76500	Cash in hand 1500 Bank 3000	124500	
To Opening Inventory	6000	By Sales	25000				
To Purchase	1,10,000						
Less: Return Outwards (2000)	108000	By Closing Inventory	20000				
To Wages	20000						
Add: Outstanding wages	3000						
To Power & Fuel	8000						
To Carriage Inwards	5000						
To Gross Profit (transferred to Profit & Loss A/c)	1,85,500						
	368,500						
		Profit & Loss A/c for the year ended.					
		Cr.					
Particulars	Amt.(₹)	Particulars	Amt.(₹)				
To Carriage Outwards	6000	By Gross Profit	185500				
To Depreciation on Land	1000						
To Depreciation on Building	8000						
To Depreciation on Machinery	3000						
To Salaries	12000						
Add: Outstanding salaries	5000						
To Laundry Expenses	6000						
To Insurance	1000						
To Net Profit (transferred to Capital A/c)	76500						
	185500						

Balance Sheet as on 8 - - -							
Dr.	Cr.	Liabilities	Amt.(₹)	Dr.	Assets	Amt.(₹)	Cr.
Particulars	Amt.(₹)	Particulars	Amt.(₹)	Capital (50000) Less: Drawings (15000) Add: Net Profit 76500	Cash in hand 1500 Bank 3000	124500	
To Carriage Outwards	6000	By Gross Profit	185500				
To Depreciation on Land	1000						
To Depreciation on Building	8000						
To Depreciation on Machinery	3000						
To Salaries	12000						
Add: Outstanding salaries	5000						
To Laundry Expenses	6000						
To Insurance	1000						
To Net Profit (transferred to Capital A/c)	76500						
	185500						

57

In the books of Mr. X

Trading A/c for the year end.

Balance Sheet

as on .....

Dr.	Particular	Amt(₹) Particular	Particular	Amt(₹) Amt(₹)	Liabilities	Amt(₹) Amt(₹)	As on .....
To Purchase	60,000		Capital	27,000	Cash at bank	1200	
To Cheating inventory	12,000	By Sales	150,300	Drawings (7000)	Office Furniture	6000	
To Power & Fuel	6,000		Less: Drawings (2000)	142,300	Add: Net Profit 52,000	Account Receivable 15000	
Add: Outstanding Powers & Fuel	2,000	By closing inventory	18,000	Commission due 200	Bills Receivable 3500		
To Purchase	60,000		Receivables in advance 500	Plants & Machinery 24000			
Less: Purchase Return (5000)	55,000		Accounts payable 12,000	Add: Bad Debts written off 5000			
To Carriage Inwards	1200		Bills payable 8,000	Plants & Mach. 26,100			
To Wages	30,000		Salaries outstanding 1000	Less: Depreciation (900)			
Less: Expenditure on Plants & Machinery	(5000)	25,000	Powers & Fuel Outstanding 2000	Leave Hold Premiums 25000			
To Gross Profit	65,100			Cash in hand 500			
(transferred to Profit & Loss A/c)				By closing inventory 18000			
Profit & Loss A/c		1,66,300		95,300			
Dr.		Profit & Loss A/c for the year ended		95,300			
Particulars	Amt(₹)	Particulars	Amt(₹)				
To Commissions paid	1200	By Gross Profit	65,100				
Add: Commission due	(200)	By Rent Received	3500				
To Office expenses	2,000	Less: Rent in Advance (500)	3000				
To Carriage outwards	3,500	By Discount Received 1000					
To Rent, rates & taxes	1700	By Dividend Received 2000					
To Depreciation on Plants & Machinery	2900						
To Salaries	7000						
Add: Salaries Outstanding 1000	8000						
To Net Profit (Transferred to Capital A/c)	52,000						
	71,100						

LOKENATH
Page No. _____
Date _____

LOKENATH
Page No. _____
Date _____

LOKENATH  
Page No. \_\_\_\_\_  
Date \_\_\_\_\_

LOKENATH  
Page No. \_\_\_\_\_  
Date \_\_\_\_\_

6) In the books of Mr. X  
Trading A/c for the year ended

Dr.			Cr.		
Particulars	Amt (₹)	Amt (₹)	Particulars	Amt (₹)	Amt (₹)
To opening inventory	72000		By Sales	350000	
To Purchase	225000		By closing inventory	80000	
Less: Purchase return	(800)				
Less: Drawings	(1800)	21400			
To Gross Profit (transferred to Profit & Loss A/c)	136600				
	430000			430000	

Balance sheet  
as on -----

Liabilities	Amt (₹)	Amt (₹)	Assets	Amt (₹)	Amt (₹)
Shyam creditors	24000		Furniture	15000	
Ram creditors	32000		Less: Depreciation @ 5% p.a.	(750)	14250
Capital	500000				
Add: Net Profit	30060		Motor Car	30000	
Less: Drawings	(1800)	528260	Less: Depreciation @ 10% p.a.	(3000)	27000
Outstanding Salaries	3000		Buildings	425800	
			Less: Depreciation @ 5% p.a.	(21290)	404510
			Kishore Debtor	20000	
			Sanjay Debtor	12000	
			Raghav Debtor	18000	
			Cash in hand	3500	
			Cash in bank	6000	
			Closing inventory	80000	
			Prepaid advertisement	2000	
				587260	587260

Profit & Loss A/c For the year ended.

Dr.			Cr.		
Particulars	Amt (₹)	Amt (₹)	Particulars	Amt (₹)	Amt (₹)
To advertisement	22000		By Gross Profit	136600	
Less: Prepaid	(2000)	20000	By Commission received.	7500	
To Repair & Maintenance	13000				
To General Expenses	16000				
To Insurance	7000				
To Salaries	30000				
Add: Outstanding salaries	3000	33000			
To Depreciation on buildings	21290				
To Depreciation on furniture	750				
To Depreciation on Motorcar	3000				
To Net Profit (transferred to Capital A/c)	80060				
	149100			149100	

7/2

In the books of Mr X  
Trading A/c for the year ended

Balance Sheet  
as on - - - - -

Dr.					Liabilities	Assets	
	Amnt(₹)	Amnt(₹)	Particulars	Amnt(₹)	Amnt(₹)	Amnt(₹)	Amnt(₹) Amnt(₹)
To Particulars			By sales	48000	Capital	4000	Plant & Machinery
To opening stock	48000				Creditors	5000	
To Purchases	21350		Less: Return Inwards (800)	47120	Less: Drawings (700)	4000	Add: Purchase of Machinery 2000
Less: Return Inwards (550)			By closing stock	5200	Add: Net Profit 10217	13517	7000 7000
Less: Purchase Returns (2000)	18800				Reserve 250	250	Office furniture & fitting 260
To Wages	15000				Sundry creditors 5200	5200	Less: Depreciation (13) 247
To Factory rent	80				Bills payable 560	560	@ 5% p.a.
To Factory lighting heating outstanding	30				Motors Venu 1200	1200	
To Gross Profit	13610				Cash in hand 40	40	
(transferred to Profit & Loss A/c)	52,320				Cash at bank 650	650	
					Bills receivable 720	720	
					Sundry Debtors 4570	4570	
					Less: Bad debts (70) 4500	4500	
					Closing Stock 5200	5200	
Dr.					Liabilities	Assets	
Particulars	Amnt(₹)	Amnt(₹)	Particulars	Amnt(₹)	Amnt(₹)	Amnt(₹)	Amnt(₹) Amnt(₹)
To Depreciation Fund	13		By Gross Profit 13610		19557		19557
To Rent	600		By Discount allowed 370				
To Salaries	1400						
To General Expenses	373						
To Bad debts	27						
Add: Further bad debts	70	97					
To Discount	650						
To Insurance	630						
To Net Profit	10217						
(transferred to Capital A/c)							
	13,980						

87

In the books of Mr. X  
Trading Ac. for the year ended  
C.Y.

LOKENATH	
Page No. _____	
Date _____	

Balance Sheet  
as on - - - - -

Dr.	Liabilities	Assets	Amnt(₹)	Amnt(₹)
To Opening stock	Amnt(₹)	Amnt(₹)	Bank loan	150000 Sundry debtors
To Purchase	442000	By Sales	320000	45000
Less : Purchasereturn (12000)		Less : Sales return (8000)	Sundry creditors	40000 Less : Mr. Nayak debt: (4000) 36000 Bills receivable
Less : Free samples (2500)	427500	By Closing stock	38000	9000 Capital
To Wages	43500			Add: Net Profit 133240 610140 Less : Depreciation@5% p.a.(15000) 188000
To Carriage, insurance	39100			Bills payable 10000 Office equipment 199700
To Gross profit (Transportation Profit & Loss)(C)	293900			Less : Depreciation@10% p.a.(9970) 179730 Reserve for discount 3200 Hand building 336000
				Commission outstanding 1300 Advertisement rent 800
				Cash at bank 18000 Petty cash 210
				Prepaid printing 1200 Closing stock 38000
				850000 850000 808940 808940

Dr.

Dr.	Amnt(₹)	Amnt(₹)	Dr.	Amnt(₹)
To Commission outstanding	18000	By gross profit	293900	
To Insurance premium	3000	By discount received		
To Interest on bank loan	1500	2200		
To Salaries	66000			
To carriage, outwards	12000			
To Advertisement(freewares)	2500			
To advertising expenses	10200			
To depreciation on furniture	15000			
To Bad debts	800			
To Dr. on office equipment	19970			
To Rates & taxes	5300			
To office stationery	1500			
L.W. Advance sent	9900			
To telephone charges	4400			
To printing & stationery	11200			
To postage stamps	1090			
To Net Profit (transferred to capital A/c)	183240			
				296100 296100

LOKENATH	
Page No. _____	
Date _____	

9.1

**Trade books of Mr. X**  
**Trading A/c for the year ended**

Dr.				Cred.				Balance sheet as on . . . . .			
Particulars	Amt.(£)	Amt.(£)	Particulars	Amt.(£)	Amt.(£)	Liabilities	Amt.(£)	Amt.(£)	Assets	Amt.(£)	Amt.(£)
To opening stock.	38500		By sales	23140		Capital	228000		Plant & Machinery	99000	
To Purchase	110000		By closing stock	72600		L/s: Drawings	(13200)		Add: New machine	15400	
Less: Returns credits (100)	108900					Add: Net Profit	41880	25630 Add: Installation expenses transferred		1100	
To Wages.	35200					Subscriptions for plant & machinery	15400	from wages.			
Less: Transferred to Marketing	(100)	34100				Bills payable	5500 Less: Depreciation @ 33 1/3% p.a.	(35750)	79750		
To Gross Profit	108570					Sundry creditors	141000				
To Freight	9900					Reserve	880 Office Furniture	5500			
To Factory Lighting	1100					Suspense	800 Less: Depreciation @ 10% p.a. (550)	4950			
To Gross Profit (transferred to) Profit & Loss A/c	108570					Junkery Debtors	29260	28 00			
	304040					Less: Bad debts	(60)				
						Loans to Shri Krishna	44000				
						Cash at bank	29260				
						Cash in hand	2640				
						Furniture property	66000				
Particulars	Amt.(£)	Amt.(£)	Particulars	Amt.(£)	Amt.(£)	Less: Depreciation @ 5% p.a. (3300)	62700				
To Salaries	13200		By gross profit	108570		Closing stock	72600				
To Office expenses	2750		By interest on loan	1100		Less: Fools	2200				
To Depreciation on furniture	550		To Discount	1320		Less: Depreciation on lease (440)	1760				
To Bad debt	660					Lease fools					
Held: Furniture balance	660	1320									
To depreciation on plant	35750										
To postage & telegram	1540										
To Insurance	1760										
To office rent	2860										
To depreciation on Furniture property	3300										
To Net Profit	44880										
(transferred to Capital A/c)	109670										

\* In the absence of any specific information, the depreciation  
on the new machine is calculated for a period of 6 months.

107

In the books of Mr. X  
Trading A/c for the year ended  
Cr.

Dr.	Trading A/c	Credit	Dr.	Credit	Dr.	Credit	
Particulars	Amount (₹)	Amount (₹)	Particulars	Amount (₹)	Particulars	Amount (₹)	
To Closing stock	50000	By Sales	321000		Liaibilities	Amount (₹)	
To Purchase	150000				Capital	100000	
Less: Drawings	6000	By Closing Stock	60000	Less: Drawings	(24000) (+6000)	Furniture	20000
Less: Purchase return (5000)	139000			Add: Net Profit	73000	Less: Depreciation @ 10% (2000)	18000
To Wages	20000			Salaries outstanding	3000	Closing Stock	20000
To Gross Profit (transferred to Profit & Loss A/c)	162000			Rewards	1,20,000		60000
				Creditors	8000		2000
				Office expenses			
				Office outstanding			
							282000

Dr. .  
Profit & Loss A/c for the year ended . Cr.

Dr.	Profit & Loss A/c	Credit	Dr.	Credit	Dr.	Credit	
Particulars	Amount (₹)	Amount (₹)	Particulars	Amount (₹)	Particulars	Amount (₹)	
To Depreciation on Fixed Assets	2000	By Gross Profit	162000		Liaibilities	Amount (₹)	
To Salaries	30000	By Interest earned	4000		Capital	100000	
Add: Salaries outstanding (2000)	31000			Less: Drawings	(24000)	Furniture	20000
Less: Salaries Paid (15000)	15000			Add: Net Profit	73000	Less: Depreciation @ 10% (2000)	18000
To Rent	7000			Salaries outstanding	3000	Closing Stock	20000
To Bad Debt	8000			Rewards	1,20,000		60000
To Printing & Stationery	12000			Creditors	8000		2000
To Insurance	10000			Office expenses			
Less: Insurance unpaid (2000)	8000			Office outstanding			
To Office expenses	12000						282000
Add: Office expenses outstanding	8000	30000					
To Net profit (transferred to Capital A/c)	73000						
	166000						

Problem on Cost Sheet

LOKENATH  
Page No. \_\_\_\_\_  
Date. \_\_\_\_\_

1.) Cost Sheet For Cosmet Paints Ltd.

For the period ended on 30.08.2014

Particulars	Amount (₹)	Amount (₹)	Particulars	Amnt (₹)	Amnt (₹)
Raw materials: Opening stock	75000		Raw materials: Opening stock	30000	
Purchase	66000		Purchase	872600	
Closing stock	(91500)		Direct Materials consumed	902600	
Direct materials consumed	49500		Inward carriage	39100	
Direct wages	52500		Manufacturing salaries & wages	102900	
Prime Cost		1,02,000	Prime cost		204460
Add: Factory overheads			Add: Factory overheads		
Factory rent, rates & power	15000		Depreciation on plants & machinery	130000	
Depreciation of Plants & Machinery	3500		Repairs of machinery	25000	
Indirect wages	2750		Coal	57900	
Factory cost		1,23,250	Factory rent and rates	227100	440000
Work-in-Progress: Opening stock	28000		Factory cost		248460
Adjusted Factory cost	(35000)	(7000)	Manufactured goods: Opening stock	97400	
Add: Administrative Overheads			Manufactured goods: Purchase	122900	224800
Office rent and rates	2500		Adjusted Factory Cost		2709400
Expenses on purchase	1500	4000	Add: Administrative Overhead		
Cost of Production		120,250	Printing and Stationery	9300	
Finished goods: Opening stock	54000		Office salaries	99000	
Closing stock	(31,000)	23000	General expenses	31700	
Cost of goods sold		143250	Office rents and rates	65000	
Add: Selling and Distribution Overheads			Travelling expenses	27900	227900
Carriage Outwards	2500		Cost of production	2937300	
Advertising	3500		Add: Selling and Distribution Overheads		
Traveller's Wages & Commission	6500	12500	Outward carriage	23300	23300
Cost of Sales	1,55,750		Cost of Goods sold	2960600	
Add: Profit	55,250		Net sales		
Sales Cost	2,11,000		Sales	2994200	
Margins			Less: Discount allowed.	(37400)	2956800
					3800

2.) Cost Sheet For . . . . .  
For the period ended 31.03.2013

Particulars	Amnt (₹)	Amnt (₹)
Raw materials: Opening stock	30000	
Purchase	872600	
Closing stock	(902600)	
Direct Materials consumed	902600	
Inward carriage	39100	
Manufacturing salaries & wages	102900	
Prime cost		204460
Add: Factory overheads		
Depreciation on plants & machinery	130000	
Repairs of machinery	25000	
Coal	57900	
Factory rent and rates	227100	440000
Factory cost		248460
Manufactured goods: Opening stock	97400	
Manufactured goods: Purchase	122900	224800
Adjusted Factory Cost		2709400
Add: Administrative Overhead		
Printing and Stationery	9300	
Office salaries	99000	
General expenses	31700	
Office rents and rates	65000	
Travelling expenses	27900	227900
Cost of production	2937300	
Add: Selling and Distribution Overheads		
Outward carriage	23300	23300
Cost of Goods sold	2960600	
Net sales		
Sales	2994200	
Less: Discount allowed.	(37400)	2956800
Margins		3800

3.7

Cost Sheet For Riverton Ltd.  
For the period ended on 31st Dec. 2015

Particulars	Am't(₹)	Am't(₹)	Particulars	Am't(₹)	Am't(₹)
Raw materials: Opening stock	300		Raw Materials: Opening stock	140000	
Add: Purchase		8726	Purchase	320000	
Closing stock	(100)		Less : Purchase return	(4800)	
Direct materials consumed	8926		Less : Direct Materials Consumed	180000	
Carriage incurred	391		Freight incurred (Materials)	875200	
Manufacturing wages & salaries	11029		Direct Labour	160000	
Prime cost		20316	Add: Accrued expenses on direct labour	8000	
Add: Factory Overheads			Prime cost	459200	
Depreciation of plant	1300				
Repairs to plant	250				
Coal	579		Add: Factory Overheads		
Factory rents and rates	2271	4900	Indirect Labour	18000	
Factory cost		24746	Add: Accrued expenses on indirect labour	1200	
Manufactured goods: Opening stock	974		Factory supervision	10000	
Add: Purchase	1274		Factory repairs & upkeep	14000	
Closing stock	(200)	2048	Heat, light & power	52000	
Adjusted Factory Cost		26799	Rates & taxes	4200	
Add: Administrative Overhead			Miscellaneous factory expenses	18700	
Printing & Stationery	93		Depreciation of Plant & Machinery	46000	
Office rents and rates	650		Depreciation on building	6900	170550
Office salaries	940		Factory cost		629750
General expenses	317		Work in progress: Opening stock	200000	
Travelling expenses	279	2279	Less: Closing stock	(19200)	8000
Cost of Production		29073	Adjusted Factory Cost		637750
Add: Selling & Distribution Overheads			Add: Administrative Overheads		
Carriage, outwards	233	233	Depreciation of office appliances	840	
Cost of goods sold		29,306	Depreciation on buildings	800	
Net sales	Sales	29942	Heat, light and power	6500	
Less: Discount allowed		(374)	Rates and taxes	2100	
Margin		29568	Office salaries and expenses	8000	
		262	Interest on borrowed funds	2000	22270

LOKENATH  
Page No. \_\_\_\_\_  
Date. \_\_\_\_\_

LOKENATH  
Page No. \_\_\_\_\_  
Date. \_\_\_\_\_

Continued .....

Add: Accrued expenses on borrowed funds

Amt(₹) 5/7

Cost Sheet for M/S Anyam Enterprises  
For the period ended on 31.03.1994

Particulars

Amt(₹)

Amt(₹)

Cost of Product

660020

Finished goods: opening stock

80000

Less: Closing stock

(35000)

Cost of goods sold

625020

Add: Selling & Distribution overheads

Depreciation on buildings

800

Heat, light & power

6500

Salaries travelling

11000

Sales return and rebate

14000

Sales commission

33600

Sales promotion

22500

Distribution department: salaries, expenses

18000

Cost of sales

731420

Add: Profit

36580

Sales cost

768600

Particulars	Amt(₹)	Audt(₹)
Raw materials: Opening stock	188000	
Purchase	832000	
Less: Closing stock	(200000)	
Direct material consumed	820000	
Direct wages	238400	
Forward Freight	32000	
Prime cost	1090400	
Add: Factory Overheads		
Indirect wages	16000	
Repairs to plant, machinery	42400	
Rent, rates, taxes - factory	12000	
Depreciation - plant & machinery	23400	
Electricity charges	48000	
Fuel	64800	
Manager's salary	9600	
Factory cost	1311600	
Add: Administrative Overheads		
Manager's salary	38400	
General charges	24800	
Director's fees	24000	
Furniture	2400	
Travelling expenses	12900	
Office	6400	
Salaries: Administrative staff	40000	148400
Cost of Product	1460000	
Add: Selling & Distribution Overheads		
Outward freight	20000	
Salesman salaries, commission	33600	53600
Cost of goods sold	1513600	
Less: Discount allowed	(14000)	1499600
Sales cost.		

67

Cost sheet for selling rates per tonne  
of special paper required  
For the period ended 01.02.2014

7.1

In 2013, no. of products =  $(100 + 33\frac{1}{3}) \cdot 1/6 \cdot 120000 = 160000$

**Particulars**      **Am't (₹)**      **Am't (₹)**

**Rau Materials:**

Paper Pulp      25000

Other miscellaneous materials      3000

**Direct Labour:**

Skilled men      6000

Unskilled men      2000

**Direct Expenses:**

Social equipments      3000

Special dyes      1000

Prime cost

Add: Factory Overhead

Variable wages      8000

Fixed wages      4800

Factory cost

Less: Condition account of sales of  
manufacture of scrap

Adjusted Factory cost

Add: Administrative Overheads

Cost of Product

Add: Selling and Distribution Overheads

Cost of goods sold

Add: Profit

Sales cost for 400 tonnes

Selling price per tonne

Total cost

Total cost/unit

Selling Price/unit

Profit/unit

Total profit

Profit percentage  
(on actual cost)

Page No.
Date

LOKENATH

Page No.
Date

LOKENATH

Cost sheet for ACME Industries

In 2013, no. of products =  $(100 + 33\frac{1}{3}) \cdot 1/6 \cdot 120000 = 160000$

**Particulars**      **Calculation**      **Am't (₹)**      **Calculation**      **Am't (₹)**      **Am't (₹)**

**Particulars**      **Calculation**      **Am't (₹)**      **Calculation**      **Am't (₹)**      **Am't (₹)**

Period of: 2012      Period of: 2013

## 8.) Cost Sheet for Popular Store Manufacturing Co.

Particulars	Period: 2014		Period: 2015	
	Calculation	Amt (₹)	Calculation	Amt (₹)
<b>Direct Materials:</b>				
Opening Stock	35000			
Purchase	52500			
Less: Closing Stock	(4900)			
Direct Material Consumed	82600	$\frac{92600 - 35000}{4000} \times 100 = 23797.50$	23797.50	
<b>Direct Wages</b>	95000	$\frac{95000 - 4000}{4000} \times 100 = 246125.00$	246125.00	
Prime Cost	177600		4957250	
Factory Expenses	17500	$\frac{17500 - 4000}{4000} \times 100 = 1375.00$	1375.00	
Factory Cost	195100		54247.50	
Administrative O/H				
Establishment Expenses	10000	$\frac{10000 - 4000}{4000} \times 1000 = 2500.00$	2500.00	
<b>Cost of Production</b>	205100		56747.50	
Finished goods closing	(35000)	(35000)		
Cost of goods sold	170100		56747.50	
Sales	189000		63052.78	
Margin/Profit (Q)	18900		63052.78	

$$\text{Percentage of Profit/Turn over} = \frac{18900}{18900} \times 100\% = 10\%$$

$$56747.50 + 10\% \text{ of } Q = Q$$

$$Q = 63052.78 \\ (\text{Quotation})$$

## 9.) Cost Statement for Roi Manufacturing Co.

Particulars	Period: 2014		Period: 2015	
	Calculation	Amt (₹)	Calculation	Amt (₹)
<b>Direct Materials</b>		240000		32000
<b>Direct wages</b>		200000		20000
Prime cost		440000		52000
Factory Overhead	120000	120000	$66\% \text{ of } (20\% \text{ of } 20000)$	14400 14400
Factory Cost		560000		66900
Administrative overhead	134000	134000	$23.4286\% \text{ of } (12.5\% \text{ of } 66400)$	17873 17873
<b>Cost of Production</b>		694000		84273
Distribution Expenses	56000		$10\% \text{ of } (90\% \text{ of } 60400)$	5976
Selling Expenses	89600	145600	$16\% \text{ of } (12.5\% \text{ of } 66400)$	11952 17928
Total Cost		839600		102200
Profit		168000		20449
Sales / Quotation		1007600		122650

$$\text{Percentage of Profit} = \frac{168000}{1007600} \times 100\% = 16.673\% \quad \text{Quotation} = 1022.01 \\ + 16.673\% \cdot 1022.01$$

$$\therefore Q = 122650$$

$$\text{For 2014, Factory Overheads} = \frac{120000}{200000} \times 100\% = 60\% \text{ of direct wages.}$$

$$\text{Administrative Overheads} = \frac{134000}{560000} \times 100\% = 23.9286\% \text{ of Factory cost}$$

$$\text{Distribution Expenses} = \frac{56000}{560000} \times 100\% = 10\% \text{ of Factory cost}$$

$$\text{Selling Expenses} = \frac{89600}{560000} \times 100\% = 16\% \text{ of Factory cost}$$

### Cost Statement for -

10/

#### Particulars

60% Capacity

80% Capacity

	Calculation Amt(₹)	Amt(₹)	Calculation Amt(₹)	Amt(₹)
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Direct Material

$\text{₹} 4 \times 60000$

240000

$\frac{\text{₹}(4 \times 105)}{68000}$

336000

Direct Wages

$\text{₹} 1 \times 60000$

60000

$\frac{\text{₹}(1 \times 120)}{80000}$

96000

Prime Cost

300000

432000

Works Overhead :

$50\% \text{ of } 6$

180000

$(50\% \text{ of } 6)$

198000

$\times 60000$

Fixed

$50\% \text{ of } 6$

180000

$240000$

438000

Variable

$\times 60000$

660000

870000

Factory Cost

Selling & Distribution O/H

Sales overhead :

$(75\% \text{ of } 1)$

45000

$(75\% \text{ of } 1)$

49500

$\times 60000$

Fixed

$(25\% \text{ of } 1)$

15000

$20000$

69500

$\times 60000$

Variable

720000

939500

Cost of Sales

Margin

$(3 \times 60000)$

180000

183500

Sales

$(15 \times 60000)$

900000

1123000

∴ Recommended price for each piece =  $\frac{\text{₹} 11,23,000}{80,000}$

= ₹ 14.0375