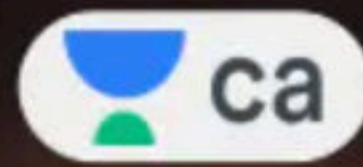




L4 - CA-Inter Costing - Ch.6 Cost Sheet

Special class

SPECIAL CLASS
BATCH

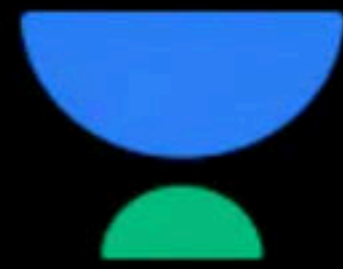


L4 – 11th March'21

Chapter-6 Cost Sheet

CA-INTERMEDIATE
Cost & Management
Accounting

by
CA CS Anshul Agrawal



CA. CS. ANSHUL AGRAWAL

Leader of Unacademy Chartered Accountancy Course

- ✓ Qualified both **CA** & **CS** in First attempt.
- ✓ Taught thousands of students more **9+** years.
- ✓ **Ranked as TOP** Educator on Unacademy for CA.
- ✓ **MERIT RANKER** in 12th Standard.
- ✓ **Subjects Taught** CA-Foundation Accounts
CA-Intermediate Accounting & Costing





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team

COMING SOON ON YT



INTRODUCTION TO COST & MANAGEMENT ACCOUNTING

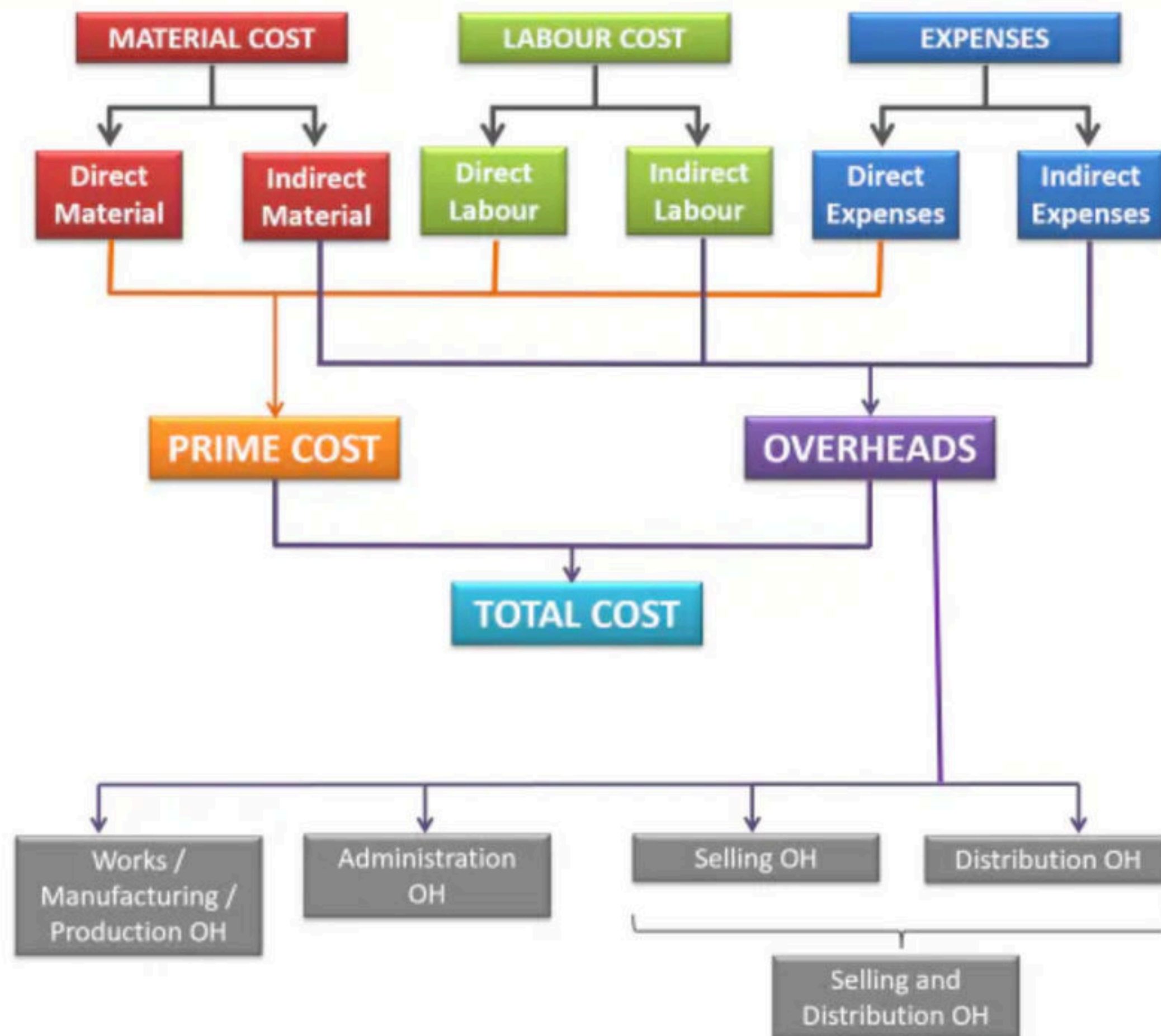


ABOUT CA-INTERMEDIATE COST & MANAGEMENT ACCOUNTING

Costing
Common Sense



COST MATRIX





Q1. Basic Question

REG. PAGE NO.

The following data related to the manufacture of a standard product during the month of April 2018:

PARTICULARS	AMOUNT
Raw Material	Rs. 1,80,000
Direct Wages	Rs. 90,000
Machine Hours Worked (Hours)	10,000
Machine Hour Rate (Per Hour)	Rs. 8
Administration Overheads	Rs. 35,000
Selling Overheads (Per Unit)	Rs. 5
Units Produced	4,000
Units Sold	3,600
Selling Price/Unit	Rs. 125

Similar yet not Same

CS Qty. = 4000 units.

You are required to prepare a cost sheet from the above showing –

- (a) Cost Per Unit; and
- (b) Profit for the month



Q.1/AAA/6.1 - Product Cost Sheet (Basic)

PARTICULARS	COST/UNIT	MONTHLY COST
Direct Material Consumed	45.00	180,000
Add: Direct Labour	22.50	90,000
Add: Direct Expenses	-	-
[A] PRIME COST	67.50	270,000
Add: Factory Overheads (10,000 Hours x Rs. 8/Machine Hour)	20.00	80,000
[B] FACTORY/WORKS COST	87.50	350,000
Add: Opening Stock of WIP	-	-
Less: Closing Stock of WIP	-	-
FACTORY/WORKS COST OF GOODS PRODUCED	87.50	350,000
Add: Administration Overheads	8.75	35,000
[C] COST OF PRODUCTION	96.25	385,000
Add: Opening Stock of Finished Goods		-
Less: Closing Stock of Finished Goods		(38,500)
[D] COST OF GOODS SOLD	96.00	346,500
Add: Selling & Distribution Overheads	5.00	18,000
[E] COST OF SALES	101.00	364,500
Add: Profit (Balancing Figure)	24.00	85,500
[F] SALES	125.00	450,000

$\frac{385000}{4050} \times 100$



Q5. Single Figure Question

REG. PAGE NO.

From the following information, prepare the Cost Sheet with as many details as possible and ascertain the selling price per unit of the product.

- PC
- | | | | |
|----|----------------------------------|---|---------------------------------|
| 1. | Direct Materials | - | 12.5% of <u>Selling Price</u> ; |
| 2. | Direct Labour | - | 17.5% of <u>Selling Price</u> ; |
| 3. | Production Overhead | - | 1/3rd of Prime Cost: |
| 4. | Administration OH | - | 50% of <u>Production Cost</u> ; |
| 5. | <u>Profit (Rs. 750 per unit)</u> | - | 15% of Sales |

$$\begin{array}{rcl} CP & + & P = SP \\ & + 15 & 100 \\ & 750 & = ? \end{array}$$

8:38 pm + 6 min
8:44 pm
Factory Cost
Works Cost
Mfg Cost
Prod Cost

Q.5/AAA/6.4 - Only one figure given

PARTICULARS	AMOUNT/UNIT
Direct Material Consumed	625
Add: Direct Labour	875
Add: Direct Expenses	—
[A] PRIME COST	1500
Add: Factory Overheads	500
[B] FACTORY/WORKS COST	2000
Add: Opening Stock of WIP X	—
Less: Closing Stock of WIP X	—
FACTORY/WORKS COST OF GOODS PRODUCED	2000
Add: Administration Overheads	1000
[C] COST OF PRODUCTION	3000
Add: Opening Stock of Finished Goods X	
Less: Closing Stock of Finished Goods X	
[D] COST OF GOODS SOLD	3000
Add: Selling & Distribution Overheads	1250
[E] COST OF SALES	4250
Add: Profit (Given Figure)	750
[F] SALES	5000

This is a
past exam
Question
asked for
6 Marks.

750/15%

Mon 06:48

Sir Will you be take classes on unacademy after 4 years?

The whole Bahubali team is just wow and I want to learn from you all.



I am in 8th now

Today 00:26

We will be here dont worry



Message...





SP -

Q6. Changes in Costs

REG. PAGE NO. 2

A Company manufactures radios, which are SP/unit sold at Rs. 1,600 per unit. The total cost is composed of 30% for direct materials, 40% for direct wages and 30% for overheads. An increase in material price by 30% and in wage rates by 10% is expected in the forthcoming year, as a result of which the profit at current selling price may decrease by 40% of the present profit per unit. You are required to prepare a statement showing current and future profit at present selling price.

How much Selling Price should be increased to maintain the present % rate of profit?

$$\begin{array}{lcl} \text{Total cost} & \times & \\ - \text{DM } 30\% & 0.30x & + 30\% = 0.39x \\ - \text{DW } 40\% & 0.40x & + 10\% = 0.44x \\ - \text{OH } 30\% & 0.30x & = 0.30x \end{array}$$



$$x = 1208 \quad 1.13x = 1208 \times 1.13$$

Cost Sheet

Particulars	Present	Future	Future
- Direct Material	0.30x 362.40	0.39x 471	471
- Direct Labour	0.40x 483.20	0.44x 532*	532
- Overheads	0.30x 362.40	0.30x 362	362
Total Cost	1208	1365	1365
+ Profit	392	235	443
Selling Price	1600	1600	1808?

* $\frac{1365}{1.13} \times 0.44 = 532$

Present Rate of Profit = $\frac{392}{1208} \times 100 = 32.45\% \text{ of CP}$



Let us assume total cost (at present) as 'x' & profit as 'y'

$$CP + P = SP$$

$$x + y = 1600 \quad \text{--- (1)}$$

$$1.13x + 0.60y = 1650 \quad \text{--- (2)}$$

Eq (1) $\times 0.60$

$$0.60x + 0.60y = 960$$

$$0.53x = 640$$

$$0.0x = 1208$$

$$\text{then } y = 1600 - 1208 = 392$$

Simultaneous
equation






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are always made with the
Small Beginnings”.



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per month

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₹3,500

Total (Incl. of all taxes)



3 months

17% OFF

per month

₹2,917

₹8,750

Total (Incl. of all taxes)



6 months

33% OFF

per month

₹2,333

₹14,000

Total (Incl. of all taxes)



12 months

58% OFF

per month

₹1,458

₹17,500

Total (Incl. of all taxes)

Rs.15,750
(Rs.1,312.50/Month)



24 months

75% OFF

per month

₹875

₹21,000

Total (Incl. of all taxes)

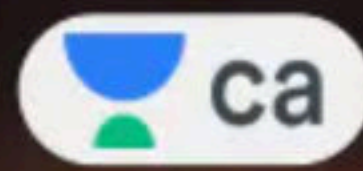
Rs.18,900
(Rs.787.50/Month)



ANSHUL

Proceed to pay

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L5 – 12th March'21

Chapter-6 Cost Sheet

CA-INTERMEDIATE
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Accounting

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CA CS Anshul Agrawal