

## 9. NON-INTEGRATED ACCOUNTS

### PROBLEM NO: 1

#### JOURNAL ENTRIES

Particulars	Debit (Rs.)	Credit (Rs.)
1. Finished Goods Ledger Control A/c <span style="float: right;">Dr.</span>	2,10,835	
To Work-in-Progress Control A/c		2,10,835
2. Manufacturing Overhead Control A/c <span style="float: right;">Dr.</span>	91,510	
To Cost Ledger Control A/c		91,510
3. Store Ledger Control A/c <span style="float: right;">Dr.</span>	1,23,000	
To Cost Ledger Control A/c		1,23,000
4(1). Wages Control A/c <span style="float: right;">Dr.</span>	72,195	
To Cost Ledger Control A/c		72,195
4(2). Work-in-Progress Control A/c <span style="float: right;">Dr.</span>	50,530	
To Wages Control A/c		50,530
4(3). Manufacturing Overhead Control A/c <span style="float: right;">Dr.</span>	21,665	
To Wages Control A/c		21,665
5. Cost of Sales A/c <span style="float: right;">Dr.</span>	1,85,890	
To Finished Goods Control A/c		1,85,890
6. Work-in-Progress Control A/c <span style="float: right;">Dr.</span>	1,27,315	
To Stores Ledger Control A/c		1,27,315
7. Finished Goods Control A/c <span style="float: right;">Dr.</span>	5,380	
To Cost of Sales A/c		5,380
8. Cost Ledger Control A/c <span style="float: right;">Dr.</span>	2,900	
To Stores Ledger Control A/c		2,900
9. Work-in-Progress Control A/c <span style="float: right;">Dr.</span>	77,200	
To Manufacturing Overhead Control A/c		77,200

#### COST LEDGER

##### Cost Ledger Control A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Store Ledger Control A/c	2,900	By Balance b/d	6,65,220
		By Manufacturing Overhead Control A/c	91,510
		By Store Ledger Control A/c	1,23,000
To Balance c/d	9,49,025	By Wages Control A/c	72,195
<b>Total</b>	<b>9,51,925</b>	<b>Total</b>	<b>9,51,925</b>

##### Stores Ledger Control A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Balance b/d	3,01,435	By Work-in-Progress Control A/c	1,27,315
To Cost Ledger Control A/c	1,23,000	By Cost Ledger Control A/c	2,900
		By Balance c/d	2,94,220
<b>Total</b>	<b>4,24,435</b>	<b>Total</b>	<b>4,24,435</b>

##### Work-in-Progress Control A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Balance b/d	1,22,365	By finished Goods Ledger Control A/c	2,10,835
To Wages Control A/c	50,530		

To Stores Ledger Control A/c	1,27,315		
To Manufacturing oH Control A/c	77,200	By Balance c/d	1,66,575
<b>Total</b>	<b>3,77,410</b>	<b>Total</b>	<b>3,77,410</b>

**Finished Stock ledger Control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Balance b/d	2,51,945	By Cost of Sales Control A/c	1,85,890
To Work-in-Progress Control A/c	2,10,835		
To Cost of sales A/c	5,380	By Balance c/d	2,82,270
<b>Total</b>	<b>4,68,160</b>	<b>Total</b>	<b>4,68,160</b>

**Manufacturing Overhead Control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Cost Ledger Control A/c	91,510	By Balance b/d	10,525
To Wages Control A/c	21,665	By Work-in-Progress Control A/c	77,200
		By Balance c/d	25,450
<b>Total</b>	<b>1,13,175</b>	<b>Total</b>	<b>1,13,175</b>

**Wages Control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Cost Ledger Control A/c	72,195	By Work-in-Progress Control A/c	50,530
		By Manufacturing Overhead Control A/c	21,665
<b>Total</b>	<b>72,195</b>	<b>Total</b>	<b>72,195</b>

**Cost of Sales A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Finished Goods Ledger Control A/c	1,85,890	By Finished Goods Ledger Control A/c (returns)	5,380
		By Balance c/d	1,80,510
<b>Total</b>	<b>1,85,890</b>	<b>Total</b>	<b>1,85,890</b>

**Trail Balance**

Particulars	Dr. (Rs.)	Cr. (Rs.)
Stores Ledger Control A/c	2,94,220	
Work-in-Progress Control A/c	1,66,575	
Finished Goods Control A/c	2,82,270	
Manufacturing Overhead Control A/c	25,450	
Cost of Sales A/c	1,80,510	
Cost Ledger Control A/c		9,49,025
<b>Total</b>	<b>9,49,025</b>	<b>9,49,025</b>

**PROBLEM NO: 2****Stores ledger Control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Balance b/d	54,250	By Work-in-Progress Control A/c	1,97,750
To Creditors/Bank A/c	2,16,590	By Balance c/d	73,090
<b>Total</b>	<b>2,70,840</b>	<b>Total</b>	<b>2,70,840</b>
By Balance b/d	73,090		

**Work-in-Progress Control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Balance b/d	89,100	By Finished Good Control A/c	5,12,050
To Stores Ledger Control A/c	1,97,750	By Balance c/d	73,980
To Wages Control A/c	85,480		
To Production Overhead Control A/c (85,480x250%)	2,13,700		
<b>Total</b>	<b>5,86,030</b>	<b>Total</b>	<b>5,86,030</b>
To Balance b/d	73,980		

**Finished Good's Control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Balance b/d	42,075	By Cost of Goods Sold A/c	4,93,460
To Work-in-Progress Control A/c	12,050	By Balance c/d	60,665
<b>Total</b>	<b>5,54,125</b>	<b>Total</b>	<b>5,54,125</b>
To Balance b/d	60,665		

**Production Overheads Control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Bank A/c	2,08,220	By Work-in-Progress Control A/c	2,13,700
To Additional Depreciation	12,500	By Under-Absorbed (or) Costing P&L A/c	7,020
<b>Total</b>	<b>2,20,720</b>	<b>Total</b>	<b>2,20,720</b>

**PROBLEM NO: 3****Cost Ledger Control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Store Ledger Control A/c	11,000	By Balance b/d	7,00,000
		By Stores Ledger Control A/c	1,36,000
		By Manufacturing Overhead Control A/c	91,000
To Balance c/d	9,84,600	By wages Control A/c	68,600
<b>Total</b>	<b>9,95,600</b>	<b>Total</b>	<b>9,95,600</b>

## Store Ledger Control A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Balance b/d	3,20,000	By Work-in-Progress Control A/c	1,26,000
To Cost Ledger Control A/c	1,36,000	By Cost Ledger Control A/c	11,000
		By Balance c/d	3,19,000
<b>Total</b>	<b>4,56,000</b>	<b>Total</b>	<b>4,56,000</b>

## Work-in-Progress Control A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Balance b/d	1,52,000	By Finished Goods Ledger Control A/c	2,35,500
To Wages Control A/c	48,000		
To Store Ledger Control A/c	1,26,000		
To Manufacturing Overhead Control A/c	86,000	By Balance c/d	1,76,500
<b>Total</b>	<b>4,12,000</b>	<b>Total</b>	<b>4,12,000</b>

## Finished Goods Control A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Balance b/d	2,56,000	By Cost of Sales A/c	1,68,000
To Work-in-Progress Control A/c	2,35,500		
To Cost of Sales A/c (sales returns)	8,000	By Balance c/d	3,31,500
<b>Total</b>	<b>4,99,500</b>	<b>Total</b>	<b>4,99,500</b>

## Manufacturing Overhead Control A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Cost Ledger Control A/c	91,000	By Balance b/d	28,000
To Wages Control A/c	20,600	By Work-in-Progress Control A/c	86,000
To Balance C/d	2,400		
<b>Total</b>	<b>1,14,000</b>	<b>Total</b>	<b>1,14,000</b>

## Wages Control A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Cost Ledger Control A/c	68,600	By Work-in-Progress Control A/c	48,000
		By Manufacturing Overhead Control A/c	20,600
<b>Total</b>	<b>68,600</b>	<b>Total</b>	<b>68,600</b>

## Cost of Sales A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Finished Goods Ledger Control A/c	1,68,000	By Finished Goods Control A/c (return)	8,000
		By Balance c/d	1,60,000
<b>Total</b>	<b>1,68,000</b>	<b>Total</b>	<b>1,68,000</b>

## Trail Balance

Particulars	Debit. (Rs.)	Credit. (Rs.)
Stores Ledger Control A/c	3,19,000	
Work-in-Progress Control A/c	1,76,500	
Finished Goods Control A/c	3,31,500	
Manufacturing Overhead Control A/c		2,400
Cost of Sales A/c	1,60,000	
Cost Ledger Control A/c		9,84,600
<b>Total</b>	<b>9,87,000</b>	<b>9,87,000</b>

**PROBLEM NO: 4**

	Particulars	Debit. (Rs.)	Credit. (Rs.)
i)	Work-in-Progress Ledger Control A/c Dr.	5,50,000	
	Factory Overhead Control A/c Dr.	1,50,000	
	To Stores Ledger Control A/c		7,00,000
	(Being issue of materials)		
ii)	Work-in Progress Ledger Control A/c Dr.	2,00,000	
	Factory Overhead control A/c Dr.	40,000	
	To Wages Control A/c		2,40,000
	(Being allocation of wages and salaries)		
iii)	Factory overhead control A/c Dr.	20,000	
	To Costing Profit & Loss A/c		20,000
	(Being transfer of over absorption of overhead)		
	Costing Profit & Loss A/c Dr.	10,000	
	To Administration Overhead Control A/c		10,000
	(Being transfer of under absorption of overhead)		

**PROBLEM NO: 5**

## General Ledger Adjustment A/c

Dr.		Cr.	
Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To costing P&L A/c	50,000	By Balance b/d	23,000
		By Stores Ledger Control A/c	25,000
		By Wages Control A/c	10,000
		By Overheads Control A/c	8,000
To Balance c/d	32,000	By Costing P&L A/c	16,000
<b>Total</b>	<b>82,000</b>	<b>Total</b>	<b>82,000</b>

## Stores Ledger Control A/c

Dr.		Cr.	
Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Balance b/d	8,000	By Work-in-Progress Control A/c	22,000
To General Ledger Adjustment A/c	25,000	By Balance c/d	11,000
<b>Total</b>	<b>33,000</b>	<b>Total</b>	<b>33,000</b>

## Work-in-Progress Control A/c

Dr.		Cr.	
Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Balance b/d	5,000	By Finished Goods (b/f)	35,000
To Stores Ledger Control A/c	22,000	By Balance c/d	9,000

To Wages Control A/c	8,000		
Overheads Control A/c	9,000		
<b>Total</b>	<b>44,000</b>	<b>Total</b>	<b>44,000</b>

**Finished Stock A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Balance b/d	10,000	By Cost of Sales A/c (b/f)	33,000
To Work-in-Progress Control A/c	35,000	By Balance c/d	12,000
<b>Total</b>	<b>45,000</b>	<b>Total</b>	<b>45,000</b>

**Wages Control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To General Ledger Adjustment A/c	10,000	By Work-in-Progress Control A/c	8,000
		By Overheads Control A/c	2,000
<b>Total</b>	<b>10,000</b>	<b>Total</b>	<b>10,000</b>

**Overheads Control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To General Ledger Adjustment A/c	8,000	By Work-in-Progress Control A/c	9,000
To Wages Control A/c	2,000	By Costing P&L A/c	1,000
<b>Total</b>	<b>10,000</b>	<b>Total</b>	<b>10,000</b>

\*(Overheads Incurred + Indirect wages) – Overheads Absorbed

=(Rs.8000 + Rs. 2000) – Rs.9000 = Rs.1000 (under absorption)

**Cost of Sales A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Finished Goods Control A/c	33,000	By Costing P&L A/c	33,000
<b>Total</b>	<b>33,000</b>	<b>Total</b>	<b>33,000</b>

**Costing P&L A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Cost of Goods Sold A/c/Cost Of Sales A/c	33,000	By General Ledger Adjustment A/c (sales)	50,000
To Overheads Control A/c	1,000		
To General Ledger Adjustment A/c (b/f)	16,000		
<b>Total</b>	<b>50,000</b>	<b>Total</b>	<b>50,000</b>

**PROBLEM NO: 6****Stores Ledger Control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Balance b/d	9,000	By Work-in-Progress Control A/c	48,000
To General Ledger Adjustment A/c	48,000	By Overheads Control A/c	6,000
To Work-in-progress Control A/c	24,000	By Overheads Control A/c (deficiency)	1,800
		By Balance c/d	25,200
<b>Total</b>	<b>81,000</b>	<b>Total</b>	<b>81,000</b>

\*Deficiency is assumed as normal (alternatively can be assumed as abnormal)

**Work-in-Progress Control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Balance b/d	18,000	By Stores Ledger Control A/c	24,000
To Stores Ledger Control A/c	48,000	By Costing P&L A/c (Balancing figure being cost of finished goods)	1,20,000
To Wages Control A/c	18,000		
To Overhead Control A/c	72,000	By Balance c/d	12,000
<b>Total</b>	<b>1,56,000</b>	<b>Total</b>	<b>1,56,000</b>

**Overheads Control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Stores Ledger Control A/c	6,000	By Work-in-Progress Control A/c	72,000
To Stores Ledger Control A/c	1,800		
To Wages Control A/c (21000-18000)	3,000		
To General Ledger Adjustment A/c	75,000	By Balance c/d	13,800
<b>Total</b>	<b>85,800</b>	<b>Total</b>	<b>85,800</b>

**Costing P&L A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Work-in-Progress Control A/c	1,20,000	By General Ledger Adjustment A/c (Sal)	1,32,000
To General Ledger Adjustment A/c (Profit)	12,000		
<b>Total</b>	<b>1,32,000</b>	<b>Total</b>	<b>1,32,000</b>

**PROBLEM NO: 7****Stores ledger control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance b/d	1,08,000	By WIP Control A/c	5,76,000

To General ledger Adj. A/c	5,76,000	By OH Control A/c	72,000
To WIP Control A/c	2,88,000	By OH Control A/c (Deficiency)	21,600
		By balance C/d	3,02,400
	<b>9,72,000</b>		<b>9,72,000</b>

\* Deficiency is treated as normal

#### WIP Control A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Balance b/d	2,16,000	By Stores ledger control A/c	2,88,000
To Stores ledger control A/c	5,76,000	By Costing P & L A/c (costing finished goods)(b/f)	14,40,000
To Wages Control A/c	2,16,000	By balance C/d	1,44,000
To ohd. Control A/c	8,64,000		
	<b>18,72,000</b>		<b>18,72,000</b>

#### OH s Control A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To stores ledger control A/c	72,000	By WIP control A/c	8,64,000
To stores ledger control A/c	21,600	By balance C/d (Under absorption)	1,65,600
To Wages control A/c	36,000		
To Gen. ledger Adjustment A/c	9,00,000		
	<b>10,29,600</b>		<b>10,29,600</b>

#### Costing P & L A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To WIP control A/c	14,40,000	By Gen. ledger Adj. A/c (14,40,000 + 15%)	16,56,000
To Gen. ledger Adj. A/c	2,16,000		
	<b>16,56,000</b>		<b>16,56,000</b>

### **PROBLEM NO: 8**

Particulars	Dr.	Cr.
Stores ledger control A/c	Dr. 2,00,000	
To creditors A/c		2,00,000
(Being Materials purchased)		
WIP control A/c	Dr. 1,50,000	
To Stores ledger control A/c		1,50,000
(Being materials issued to production)		
Wages Control A/c	Dr. 1,20,000	
To Bank		1,20,000
(Being Wages paid)		
Factory over heads control A/c	Dr. 36,000	
To Wages control A/c		36,000
(Being indirect wages charged to production)		
WIP control A/c	Dr. 84,000	
To Wages control A/c		84,000
(Being Direct Wages charged to production)		
Factory over heads control A/c	Dr. 84,000	

To Bank A/c		84,000
(Being Manufacturing over heads incurred)		
WIP control A/c	Dr.	92,000
To Factory over heads control A/c		92,000
(Being Manufacturing over heads charged to production)		
Selling & Distribution over heads control A/c	A/c	20,000
To Bank A/c		20,000
(Being Selling & distribution costs incurred)		
Finished Goods control A/c	Dr.	2,00,000
To WIP control A/c		2,00,000
(Being cost of finished goods)		
Cost of sales A/c	Dr.	2,20,000
To Finished stock ledger control A/c		2,00,000
To Selling & distribution over heads control A/c		20,000
(Being cost of goods sold)		
Sundry Debtors A/c	Dr.	2,90,000
To Sales A/c		2,90,000
(Being Finished stock sold)		
Bank A/c	Dr.	69,000
To Sundry Debtors A/c		69,000
(Being Receipts from Debtors)		
Creditors A/c	Dr.	1,10,000
To Bank A/c		1,10,000
(Being payment made to creditors)		

**PROBLEM NO. 9****Stores control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance b/d	18,000	By WIP Control A/c	1,10,000
To Creditors	1,00,000	By Production overheads Control A/c	2,000
		By balance c/d	6,000
	<b>1,18,000</b>		<b>1,18,000</b>

**Wages control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Bank A/c	92,000	By WIP Control A/c	87,000
		By Production over heads A/c	5,000
	<b>92,000</b>		<b>92,000</b>

**WIP Control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance b/d	17,000	By Finished goods Control A/c	2,15,000
To Stores control A/c	1,10,000	By balance C/d	47,000
To Wages Control A/c	87,000		
To Production over heads control A/c	48,000		
	<b>2,62,000</b>		<b>2,62,000</b>

## Production overhead Control A/c

Dr.		Cr.	
Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Wages control A/c	5,000	By WIP control A/c	48,000
To Stores control A/c	2,000	By Pre paid rent A/c	300
To Bank A/c	40,000		
To Provisions for Depreciation A/c	1,300		
	<b>48,300</b>		<b>48,300</b>

## Finished Goods Control A/c

Dr.		Cr.	
Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance b/d	13,000	By cost of sales A/c	2,20,000
To WIP control A/c	2,15,000	By balance C/d	20,000
To Administration over heads Control A/c	12,000		
	<b>2,40,000</b>		<b>2,40,000</b>

## Administration Overheads Control A/c

Dr.		Cr.	
Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Bank A/c	12,000	By Finished Goods Control A/c	12,000
	<b>12,000</b>		<b>12,000</b>

## Cost of Sales A/c

Dr.		Cr.	
Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Finished Goods A/c	2,20,000	By Sales A/c	2,34,000
To Selling & Administration overheads A/c	14,000		
	<b>2,34,000</b>		<b>2,34,000</b>

## Selling &amp; Distribution Overheads A/c

Dr.		Cr.	
Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Bank A/c	14,000	By Cost of sales A/c	14,000
	<b>14,000</b>		<b>14,000</b>

## Sales A/c

Dr.		Cr.	
Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Cost of sales A/c	2,34,000	By Debtors A/c (Credit sales)	3,00,000
To P & L A/c (Profit)	66,000		
	<b>3,00,000</b>		<b>3,00,000</b>

## Pre Paid Rent A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Production Overheads A/c	300	By balance C/d	300
	<b>300</b>		<b>300</b>

## Provisions for Depreciation A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance C/d	6,300	By balance b/d	5,000
		By Production overheads control A/c	1,300
	<b>6,300</b>		<b>6,300</b>

## Profit And Loss A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Balance C/d	98,000	By Sales A/c	66,000
		By Profit b/d(Last year)	32,000
	<b>98,000</b>		<b>98,000</b>

## Debtors A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Balance b/d	12,000	By Bank A/c	2,90,000
To Sales A/c	3,00,000	By balance C/d	22,000
	<b>3,12,000</b>		<b>3,12,000</b>

## Creditors A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Bank A/c	1,01,000	By balance b/d	8,000
To balance C/d	7,000	By Stores Control A/c	1,00,000
	<b>1,08,000</b>		<b>1,08,000</b>

## Bank A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance b/d	10,000	By Creditors A/c	1,01,000
To Debtors A/c	2,90,000	By Wages Control A/c	92,000
		By Production overheads A/c	40,000
		By Administration overheads A/c	12,000
		By Selling & Distribution overheads A/c	14,000
		By balance C/d	41,000
	<b>3,00,000</b>		<b>3,00,000</b>

## Fixed Assets A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance b/d	55,000	By balance C/d	55,000
	<b>55,000</b>		<b>55,000</b>

## Share Capital A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance C/d	80,000	By balance b/d	80,000
	<b>80,000</b>		<b>80,000</b>

Trail Balance As on 31<sup>ST</sup> Dec.2012.

Particulars	Debit. (Rs.)	Credit. (Rs.)
Stores Control A/c	6,000	
WIP Control A/c	47,000	
Finished Goods Control A/c	20,000	
Bank A/c	41,000	
Creditors A/c		7,000
Fixed Assets A/c	55,000	
Debtors A/c	22,000	
Share Capital A/c		80,000
Provisions for Depreciation A/c		6,300
Profit and loss A/c		98,000
Prepaid Rent A/c	300	
	<b>1,91,300</b>	<b>1,91,300</b>

**PROBLEM NO: 10**

## Stores Control A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance b/d	40,950	By WIP Control A/c	2,50,250
To Trade payables A/c	2,27,500	By Production overheads Control A/c	4,550
		By balance C/d	13,650
	<b>2,68,450</b>		<b>2,68,450</b>

## Wages Control A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Bank A/c	2,09,300	By WIP Control A/c	1,97,925
Direct wages (Rs.1,97,925)		By Production Overheads A/c	11,375
Indirect wages (Rs.11,375)			
	<b>2,09,300</b>		<b>2,09,300</b>

## WIP Control A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance b/d	38,675	By Finished goods A/c	4,89,125
To Wages Control A/c	1,97,925	By balance C/d	1,06,925
To Stores Control A/c	2,50,250		
To Production Overheads A/c	1,09,200		
	<b>5,96,050</b>		<b>5,96,050</b>

## Production Overheads Control A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Wages Control A/c	11,375	By WIP Control A/c	1,09,200
To Stores Control A/c	4,550	By P & L A/c	14,039
To Bank A/c (91,000-6,250)	84,750		
To Production Overheads Outstanding A/c	7,775		
To Provision For Depreciation A/c	14,789		
	<b>1,23,239</b>		<b>1,23,239</b>

Production overhead incurred = payments made + closing o/s + provision for depreciation – opening o/s

## Finished Goods Control A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance b/d	52,325	By Cost of Sales A/c	5,00,500
To WIP Control A/c	4,89,125	By balance C/d	80,450
To Administration Overheads A/c	39,500		
	<b>5,80,950</b>		<b>5,80,950</b>

## Administration overheads Control A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Pre-paid administration overheads A/c	9,975	By Finished goods Control A/c	39,500
To Bank A/c	27,900		
To Administration OH s Outstanding A/c	2,225		
	<b>39,500</b>		<b>39,500</b>

## Cost of Sales A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Finished goods A/c	5,00,500	By Sales A/c	5,32,350
To Selling Overheads A/c	31,850		
	<b>5,32,350</b>		<b>5,32,350</b>

## SOH A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Bank A/c	31,850	By cost of sales A/c	31,850
	<b>31,850</b>		<b>31,850</b>

## Sales A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Cost of Sales A/c	5,32,350	By Trade Receivables A/c	6,82,500
To P & L A/c	1,50,150		
	<b>6,82,500</b>		<b>6,82,500</b>

## Production overheads outstanding A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Bank A/c	6,250	By balance b/d	6,250
To balance C/d	7,775	By Production overheads A/c	7,775
	<b>14,025</b>		<b>14,025</b>

## Prepaid Administration Overheads A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance b/d	9,975	By Administration Overheads A/c	9,975
	<b>9,975</b>		<b>9,975</b>

## Provision for Depreciation A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance C/d	26,164	By balance b/d	11,375
		By Production Overheads A/c	14,789
	<b>26,164</b>		<b>26,164</b>

## Provision for Doubtful Debts A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance C/d	4,590	By balance b/d	3,725
		By P & L A/c	865
	<b>4,590</b>		<b>4,590</b>

## AOH O/S A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Bal c/d	2,225	By AOH control A/c	2,225
	<b>2,225</b>		<b>2,225</b>

## Profit and Loss A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Provision for doubtful debts A/c	865	By balance b/d	72,800
To Production Overheads A/c	14,039	By Sales A/c	1,50,150
To balance C/d*	2,08,046		
	<b>2,22,950</b>		<b>2,22,950</b>

\*Profit is to be transferred to Reserves &amp; Surplus

## Trade Receivables A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance b/d	27,300	By Bank A/c	6,59,750
To Sales A/c	6,82,500	By balance C/d	50,050
	<b>7,09,800</b>		<b>7,09,800</b>

## Non Current Assets A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance b/d	1,47,875	By balance C/d	1,47,875
	<b>1,47,875</b>		<b>1,47,875</b>

## Bank A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Trade Receivables A/c	6,59,750	By balance b/d	22,750
		By Wages Control A/c	2,09,300
		By Production overheads A/c (84,750+6,250)	91,000
		By Administration Overheads A/c	27,300
		By Selling Overheads A/c	31,850
		By Trade Payables A/c	2,29,775
		By balance C/d	47,775
	<b>6,59,750</b>		<b>6,59,750</b>

## Trade Payables A/c

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Bank A/c	2,29,775	By Balance b/d	18,200
To Balance C/d	15,925	By Stores Control A/c	2,27,500
	<b>2,45,700</b>		<b>2,45,700</b>

## Trail Balance as on 31-03-2014

Particulars	Debit (Rs.)	Credit (Rs.)
Stores Control A/c	13,650	
WIP Control A/c	1,06,925	
Finished Goods A/c	80,450	
Bank A/c	47,775	
Trade payables A/c		15,925
Non Current Assets A/c	1,47,875	
Trade Receivables A/c	50,050	

Share Capital A/c		1,82,000
Provision for Depreciation A/c		26,164
Reserves & Surplus (P & L A/c)		2,08,046
Production Overheads Outstanding A/c		7,775
Administrative Overheads Outstanding A/c		2,225
Provision for doubtful debts		4,590
	<b>4,46,725</b>	<b>4,46,725</b>

**PROBLEM NO: 11****Creditors A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Cash on Bank A/c	89,200	By balance b/d	16,400
To balance C/d	19,200	By purchases (b/f)	92,000
	<b>1,08,400</b>		<b>1,08,400</b>

**Work-in-Progress control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance b/d	9,200	By Finished Goods Control A/C	1,51,000
To Raw-Materials control A/c(b/f)	53,000	By balance C/d	
To Wages Control A/c(7000hrsX10)	70,000	Materials – 5,000	
To Overheads Control A/c(7000hrsXrs.4)	28,000	Labour - 3,000(300hX10)	
		Overheads- 1,200(300hX4)	9,200
	<b>1,60,200</b>		<b>1,60,200</b>

**Raw Materials Control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance b/d	32,000	By WIP control A/c	53,000
To Purchases A/c	92,000	By balance C/d	71,000
	<b>1,24,000</b>		<b>1,24,000</b>

**Finished Goods control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance b/d	24,000	By Cost of sales (b/f)	1,45,000
To WIP A/c	1,51,000	By balance C/d	30,000
	<b>1,75,000</b>		<b>1,75,000</b>

**Manufacturing Overheads control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Sundries A/c	29,600	By W.I.P. (7000hrsX4)	28,000
		By Under-Absorption of overheads A/c	1,600
	<b>29,600</b>		<b>29,600</b>

**PROBLEM NO:12**Statement of profit as per financial records (for the year ended 31<sup>st</sup> march, 2014)

Dr.

Cr

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Opening stock of finished goods	53,125	By Sales	22,80,000
To Opening stock of Work-in-progress	46,000	By Closing stock of finished goods	45,650
To Raw materials consumed	8,40,000	By Closing stock of Work-in-progress	41,200
To Direct labour	6,10,000	By Rent Received	46,000
To Factory Overheads	4,22,000	By Interest received	38,000
To Administration Overheads	1,98,000		
To Selling & Distribution Overheads	72,000		
To Dividend paid	1,22,000		
To Bad debts	18,000		
To Profit	69,720		
	<b>24,50,850</b>		<b>24,50,850</b>

**Statement of profit as per cost records.**

Particulars	Amount (Rs.)	Amount (Rs.)
Sales		22,80,000
Cost of sales.		
Raw Materials Consumed	8,40,000	
Direct Labour	6,10,000	
Prime Cost	14,50,000	
Factory overheads(70% of Direct wages)	4,27,000	
Factory cost	18,77,000	
(+) Opening WIP	46,000	
(-) Closing WIP	41,200	
Factory Cost of goods produced	18,81,800	
Administrative overheads(15% of Factory cost)	2,82,270	
Cost of Production of 12,405 units	21,64,070	
(+) Opening Factory goods(625unitsX120)	75,000	
(-) Closing Factory goods(21,64,070/12,405X415 units)	72,397	
Cost of goods Sold	21,66,673	
Selling & Distribution overheads (12,615X3)	37,845	22,04,518
Profit		<b>75,482</b>

**Statement of Reconciliation.**

Particulars	Amount (Rs.)	Amount (Rs.)
Profit as per Cost Accounts		75,482
Add:- Administrative overheads over Absorbed (2,82,270-1,98,000)	84,270	
Opening stock over valued (75,000-53,125)	21,875	
Interest received	38,000	
Rent Received	46,000	
Factory overheads over recovered (4,27,000-4,22,00)	5,000	1,95,145
		2,70,627
Less:- Selling & Distribution overheads under recovery (72,000-37,845)	34,155	
Closing stock over valued (72,397-45,650)	26,747	
Dividend	1,22,000	
Bad debts	18,000	(2,00,902)
Profit as per financial accounts		<b>69,725</b>

**PROBLEM NO: 13**

Profit and Loss A/c (As per financial records)

Dr.

Cr

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Direct Material	50,00,000	By Sales (1,20,000 units)	1,20,00,000
To Direct Wages	30,00,000	By Closing Stock	
To Factory overheads	16,00,000	WIP	2,40,000
To Gross Profit	<b>29,60,000</b>	Finished Goods (4,000units)	3,20,000
	<b>1,25,60,000</b>		<b>1,25,60,000</b>
To Administration Overheads	7,00,000	BY Gross Profit	29,60,000
To Selling and Distribution overheads	9,60,000	By Dividend	1,00,000
To Bad debts	80,000	By Interest	20,000
To Preliminary expenses Written.off	40,000		
To Legal Charges	10,000		
To Net profit	<b>12,90,000</b>		
	<b>30,80,000</b>		<b>30,80,000</b>

**Cost Sheet**

Particulars	Amount (Rs.)
Direct Materials	56,00,000
Direct Wages	30,00,000
Prime Cost	86,00,000
Factory Overheads	17,20,000
Factory Cost (1,24,000 units)	1,03,20,000
(-) Closing WIP	(2,40,000)
Factory cost of finished Goods	1,00,80,000
Administration overheads (1,24,000unitsX 6)	7,44,000
Cost of Production (1,24,000 units)	1,08,24,000
(-) Closing Finished stock(4,000X 87.29)	(3,49,160)
Cost of goods sold (1,20,000units)	1,04,74,840
Selling and Distribution overheads (1,20,000X8)	9,60,000
Cost of Sales	1,14,34,840
Profit (Big. fig)	5,65,160
Sales	<b>1,20,00,000</b>

**Statement of Reconciliation of Profit.**

Particulars	Amount (Rs.)	Amount (Rs.)
Profit as per Cost Records		5,65,160
Add:- Excess of Material Consumption	6,00,000	
Factory overheads absorbed	1,20,000	
Excess Administration overheads	44,000	
Dividend Received	1,00,000	
Interest Received	20,000	8,84,000
		14,49,160
Less:- Bad Debts	80,000	
Preliminary expenses written off	40,000	
Legal Charges	10,000	
Over Valuation of Closing stock in cost A/c's	29,160	(1,59,160)
Profit as per Financial Records		<b>12,90,000</b>

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**PROBLEM NO: 14**

Statement of profit as per financial records. (for the year ended 31-03-2014)

Dr.

Cr

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Opening stock:		By Sales	20,80,000
Finished goods	76,525	By Closing Stock:	
WIP	33,000	Finished Goods	43,250
To Raw materials Consumed	7,84,000	WIP	48,200
To Direct Labour	4,65,000	By Rent Received	72,000
To Factory overheads	2,65,000	By Interest Received	18,500
To Good will written off	95,000		
To Administration overheads	3,15,000		
To Selling & Distribution overheads	65,000		
To Interest paid	72,000		
To Bad Debts	21,000		
To Profit	70,425		
	<b>22,61,950</b>		<b>22,61,950</b>

**Statement of Profit as per Cost records.**

Particulars	Amount (Rs.)	Amount (Rs.)
Sales		20,80,000
Cost of Sales :-		
Raw Materials Consumed	7,84,000	
Direct Labour	4,65,000	
Prime cost	12,49,000	
Factory overheads (60% of Direct wages )	2,79,000	
Factory Cost	15,28,000	
(+) Opening WIP	33,000	
(-) Closing WIP	(48,200)	
Factory Cost of goods produced.	15,12,800	
Administrative overheads (20% of Factory Cost )	3,02,560	
Cost of production (14,000 units )	18,15,360	
(+) Opening Finished Goods (875 X 105 )	91,875	
(-) Closing Finished Goods (18,15,360/14,000X875 )	(48,626)	
Cost of goods Sold	18,58,609	
Selling & Distribution overheads (14,500 X 5 per unit )	72,500	(19,31,109)
Profit		<b>1,48,891</b>

**Reconciliation Statement.**

Particulars	Amount (Rs.)	Amount (Rs.)
Profit as per cost Accounts		1,48,891
Add :- Factory overheads over Absorbed (Rs.2,79,000-Rs.2,65,000)	14,000	
S & D overheads over Absorbed (Rs.72,500-Rs.65,000)	7,500	
Opening stock over valued (Rs.91,875-Rs.76,525)	15,350	
Interest received	18,500	
Rent Received	72,000	1,27,350
		2,76,241
Less :- Administration overheads under recovery (Rs.3,15,000 – Rs,3,02,560)	12,440	
Closing stock overvalued (Rs.48,626 – Rs.43,250)	5,376	
Good will written off	95,000	
Interest paid	72,000	
Bad debts	21,000	(2,05,816)
Profit as per financial A/c's		<b>70,425</b>

**PROBLEM NO: 15**i. **Statement of Profit as per Cost Accounts.**

Particulars	Units	Amount (Rs.)
Opening Stock @ Rs. 180 per unit	500	90,000
Cost of Production @ Rs. 240 per unit	10,000	24,00,000
Total	10,500	24,90,000
Less :- Closing Stock @ Rs. 240 per unit	(250)	(60,000)
	10,250	24,30,000
Selling expenses @ Rs. 24 per unit		2,46,000
Cost of Sales		26,76,000
Profit		1,94,000
Sales	10,250	28,70,000

**Working Notes: 1 Statement of Cost (10,000 Units)**

Particulars	Total Cost	Cost Per Unit
Materials	10,40,000	104.00
Wages	6,00,000	60.00
Factory Overhead 60% of wages	3,60,000	36.00
Factory Cost	20,00,000	200.00
Administrative overheads	4,00,000	40.00
Total Cost	24,00,000	240.00

ii. **Statement of differences between the sets of Accounts**

	Financial A/c(Rs.)	Cost A/c (Rs.)	Difference (Rs.)	Remarks.
Factory Overheads	3,79,000	3,60,000	19,000	Under Recovery
Admin. Overheads	4,24,000	4,00,000	24,000	Under Recovery
Selling expenses	2,20,000	2,46,000	26,000	Over Recovery
Opening Stock	70,000	90,000	20,000	Over Recovery
Closing Stock	50,000	60,000	10,000	Over Recovery

**Reconciliation Statement.**

Particulars	Amount (Rs.)	Amount (Rs.)
Profit as per cost Accounts		1,94,000
Add :- Over valuation of Selling overheads in cost A/c's	26,000	
Over valuation of Opening stock in cost A/c's	20,000	
Income excluded from cost A/c's :		
Interest	1,000	
Rent	40,000	87,000
		2,81,000
Less :- Under recovery of overheads in cost A/c's :		
Factory overheads	19,000	
Administrative overheads	24,000	
Over Valuation of Closing stock in cost A/c	10,000	
Expenses excluded in cost A/c's :		
Bad debts	16,000	
Preliminary expenses	20,000	(89,000)
Profit as per financial Accounts.		1,92,000

**PROBLEM NO: 16****Stores Control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance b/d	12,60,000	By WIP Control A/c	67,20,000
To Purchases/GLA	67,20,000	By Production overheads control A/c	8,40,000
To WIP Control A/c	33,60,000	By Production overheads control A/c (Shortage)(assumed as normal)	2,52,000
		By balance C/d	35,28,000
	<b>1,13,40,000</b>		<b>1,13,40,000</b>

**Work-in-Progress Control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance b/d	25,20,000	By Stores Control A/c	33,60,000
To Stores Control A/c	67,20,000	By Costing P & L A/c	1,58,88,000
To Wages Control A/c	25,20,000	By balance C/d	15,20,000
To Production overheads A/c	90,08,000		
	<b>2,07,68,000</b>		<b>2,07,68,000</b>

**Costing Profit and Loss A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To WIP Control A/c	1,58,88,000	By Sales A/c	1,77,94,560
To GLA A/c	19,06,560		
	<b>1,77,94,560</b>		<b>1,77,94,560</b>

**Profit and Loss A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Opening Stock :		By Sales	1,77,94,560
Stores	12,60,000	By Income from investment	4,00,000
WIP	25,20,000	By Closing Stock :	
To Purchases	67,20,000	Stores	35,28,000
To Wages	29,40,000	WIP	15,20,000
To Overheads	95,50,000	By Loss	5,87,440
To Loss on sale of fixed assets	8,40,000		
	<b>2,38,30,000</b>		<b>2,38,30,000</b>

**Reconciliation Statement.**

Particulars	Amount (Rs.)	Amount (Rs.)
Profit as per cost A/c's		19,06,560
Add : Income from investments		4,00,000
		23,06,560
Less : Loss on sale of fixed Assets	8,40,000	

Under Absorption of overheads (Rs.95,50,000 + Rs.4,20,000 + Rs.8,40,000 + Rs.2,52,000 – Rs.90,08,000)	20,54,000	(28,94,000)
Loss as per financial A/c's.		<b>5,87,440</b>

**Production overheads Control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Stores ledger Control A/c	8,40,000	By WIP	90,08,000
To Stores ledger Control A/c (Shortage)	2,52,000	By balance C/d	20,54,000
To Wages Control A/c	4,20,000		
To GLA A/c	95,50,000		
	<b>1,10,62,000</b>		<b>1,10,62,000</b>

**PROBLEM NO: 17****Memorandum Reconciliation Account.**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Net loss as per costing books	2,13,000	By Administrative overheads absorbed in cost A/c's	3,000
To Factory overheads under absorbed	5,000	By Depreciation overcharged in cost A/c's	10,000
To Income tax not provided in cost books	65,000	By Interest on investments	20,000
To Preliminary expenses written off	3,000	By Transfer fee	2,000
To Over valuation of closing stock in cost A/c's	7,000	By Net loss as per Financial A/c's	<b>2,58,000</b>
	<b>2,93,000</b>		<b>2,93,000</b>

**PROBLEM NO: 18****Memorandum Reconciliation A/c.**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Net loss as per cost A/c's	3,28,000	By Administration overheads over absorbed in cost A/c's	4,000
To Factory overheads under recovered in cost A/c's	6,000	By Interest on investment	20,000
To Income tax not provided in cost A/c's	1,20,000	By Depreciation overcharged in cost A/c's	10,000
		By Transfer fee	2,000
		By Stores adjustment	2,000
		By Net loss as per financial A/c's	<b>4,16,000</b>
	<b>4,54,000</b>		<b>4,54,000</b>

**PROBLEM NO:19****Stores Ledger Control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance b/d	63,000	By WIP A/c	3,36,000
To General ledger Adjustment A/c	3,36,000	By Overheads A/c	42,000
To WIP A/c	1,68,000	By Overheads A/c (Deficiency) assumed x abnormal	12,600
		By balance C/d	1,76,400
	<b>5,67,000</b>		<b>5,67,000</b>

**Work-In-Progress Control A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance b/d	1,26,000	By Stores ledger control A/c	1,68,000
To Stores ledger control A/c	3,36,000	By Costing P & L A/c(Finished goods) (Bal. fig)	8,40,000
To Wages control A/c	1,26,000	By balance C/d	84,000
To Overheads A/c	5,04,000		
	<b>10,92,000</b>		<b>10,92,000</b>

\* alternatively it can be assumed abnormal.

**Costing P & L A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To WIP A/c	8,40,000	By GLA A/c (Sales)	9,24,000
To GLA A/c (Profit)	84,000		
	<b>9,24,000</b>		<b>9,24,000</b>

**Financial Profit and Loss A/c**

Dr.

Cr.

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Opening Stock : Stores	63,000	By Sales	9,24,000
WIP	1,26,000	By Income from investment	21,000
To Purchases	3,36,000	By Closing Stock : Stores	1,76,400
To Wages	1,47,000	WIP	84,000
To Overheads	5,25,000	By Loss	<b>33,600</b>
To Loss on sale of fixed Assets	42,000		
	<b>12,39,000</b>		<b>12,39,000</b>

**Reconciliation Statement.**

Particulars	Rs.	Rs.
Profit as per cost A/c's		84,000
Add :- Income from investments		21,000
		<b>1,05,000</b>

Less :- Under absorption of overheads	96,600	
Loss on sale of fixed Assets	42,000	1,38,600
Loss as per financial A/c's.		<b>33,600</b>

**PROBLEM NO: 20****Stores Control A/c**

Dr.

Cr

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To balance b/d	15,000	By WIP Control A/c	80,000
To Purchases/GLA	80,000	By overheads control A/c	10,000
To WIP Control A/c	40,000	By General ledger Adjustment A/c	5,000
		By overheads control A/c (Shortage) assumed x abnormal	3,000
		By balance C/d	<b>37,000</b>
	<b>1,35,000</b>		<b>1,35,000</b>

**Wages Control A/c**

Dr.

Cr

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To General ledger Adjustment A/c	35,000	By WIP Control A/c	30,000
		By Overheads Control A/c	5,000
	<b>35,000</b>		<b>35,000</b>

**Overhead Control A/c**

Dr.

Cr

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Materials Control A/c	10,000	By WIP Control A/c	1,20,000
To Stores ledger Control A/c	3,000	By Balance C/d	23,000
To GLA A/c	1,25,000		
To Wages Control A/c	5,000		
	<b>1,43,000</b>		<b>1,43,000</b>

**WIP Control A/c**

Dr.

Cr

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Stores Control A/c	80,000	By Stores Control A/c	40,000
To Opening WIP A/c/Bal b/d	30,000	By Finished goods A/c	2,00,000
To Wages Control A/c	30,000	By balance C/d	20,000
To Overhead Control A/c	1,20,000		
	<b>2,60,000</b>		<b>2,60,000</b>

**Statement Of Profit s Per Cost Records.**

Particulars	Amount (Rs.)
Direct Materials Cost	40,000
Direct Wages	30,000
Prime Cost	70,000
Factory Overheads	1,20,000

Works Cost	1,90,000
(+) Opening WIP	30,000
(-) Closing WIP	(20,000)
Cost of finished Goods	2,00,000
Profit @ 10% of cost	20,000
Sales	<b>2,20,000</b>

**Profit and Loss A/c**

Dr.

Cr

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Materials Consumed (Opening Stock+ Purchases-Sold as special case of cost)	90,000	By Sales	2,20,000
To Opening WIP	30,000	By Closing WIP	<b>20,000</b>
To Wages	35,000	By Closing Stores	37,000
To Overheads	1,25,000	By Net Loss	<b>3,000</b>
	<b>2,80,000</b>		<b>2,80,000</b>

**Reconciliation Statement**

Particulars	Amount (Rs.)
Profit / (Loss) as per financial A/c's	(3,000)
(+) Overheads over Absorbed in cost A/c's	23,000
Net Profit as per cost A/c's	<b>20,000</b>

\*alternatively shortages can also be treated as abnormal and charged to P&L A/c Accordingly the solution differs.

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To **MASTER MINDS**, Guntur

**THE END**