

Emekwue Chinese cinema  
 18/10/20  
 Cost Accounting

Qs 1

Salamander plc contract costing A/c

Direct material balance 75000	material c/d	195000
Direct expenses 55000	Cost to date	146650
Head office exp 10500		
wages paid 150000		
Plant & equipment $(100000 \times 26\%)$ 26000		
Accrued		
closing stock of material 25000		
Owed wages 8000		
Owed direct exp 1150	31150	
	341650	341650
Cost to date 146650		
profit taken 21837		Value of work certified 441450
Profit not taken 272963	294800	
	441450	441450

Profit taken

$$= \frac{2}{3} \times \text{notional profit} \times \frac{\text{cash received}}{\text{value of work certified}}$$

$$\frac{2}{3} \times 294800 \times \frac{490500}{441450}$$

$$= 21837$$

Profit not taken =

$$\text{notional profit} - \text{profit taken}$$

$$= 294800 - 21837$$

$$= 272963$$

### Question 3

Particulars	Qty	rate	Amount	Particulars	Qty	rate	Amount
Input material	20000	2	40000	Normal loss	600	3	1800
D/m			800	Output	5000	2.86	14300
			3000				
			800				
		2.83	500				
	20000		56800				

cpu (cost per unit)

=  $\frac{\text{Cost} - \text{Scrap}}{\text{Input material} - \text{normal loss unit}}$

=  $\frac{56800 - 1800}{20000 - 600}$

=  $\frac{56800 - 1800}{19400} = \frac{55000}{19400}$

= 2.83

Process 2

Particulars	Qty	rate	Amount	Particulars	Qty	rate	Amount
Input material	25000	2	50000	Normal loss	500	3	1500
D/m			8000	Output	6000	33.6	201600
Labours			10000				
Expenses			4500				
Overhead			1200				
Production		33.6	9000				
	25000		82700		6500		203100

Cost/Amount  
3 1800  
2.86 14300

cpu = cost - scrap  
input material - normal loss unit

$$CPU = \frac{829000 - 500 \times 3}{25000 - 500}$$

$$= \frac{829000 - 1500}{25000 - 500}$$

$$= \frac{825500}{24500} =$$

= 33.6  
Process 3)

Particulars	Qty	rate	Amount	Particulars	Qty	rate	Amount
Input material	10000	2	20000	Normal loss	400	3	1200
DMaterial			5000	Output	4000	4.14	16560
DLabour			7000				
DExpense			2500				
Other expenses			500				
Overhead production		4.14	6000				
	10000		41000		4400		17760

cpu = cost - scrap  
input material - normal loss unit

$$CPU = \frac{41000 - 400 \times 3}{10000 - 400}$$

$$= \frac{41000 - 1200}{10000 - 400}$$

$$= \frac{39800}{9600}$$

$$= 4.14$$

out  
00  
1600  
100