

2011/11/11

Class B Com P. III  
 Subject - Cost Acc  
 Topic - Contract Acc Problem & Solution  
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Problem: Show how you would deal with the material in the 'A' Contract Acc with the following instructions

Material received from <sup>the</sup> Store - Rs. 40000

Material Purchased directly - Rs. 15000

Material returned to supplier not according to specification Rs. 2000

Material received from 'B' Contract Rs. 6000

Material transferred to 'C' Contract Rs. 3000

Material Returned to Store Rs. 5000

Material Costing Rs. 2000 stolen.

Material worth Rs. 1200 destroyed by fire and ~~Rs. 1000~~

Rs. 300 wasted in processing.

Material Cost Rs. 2000 were sold for Rs. 2200

Material wasted in work in process, sold for Rs. 100 wj.

Material in Hand at the end Rs. 4000

(Showing treatment of Material)

'A' Contract Acc

Particulars	Amount (Rs)	Particulars	Amount (Rs)
To Materials from Store	40,000	By Material Retd to Suppliers.	2,000
" Materials purchased	15,000	Material transferred to 'C' Contract	3,000
" Materials transferred from 'B' Contract	6,000	Material Retd in Store	5,000
" P & L Acc (Profit on Material sold)	200	P & L Acc	
		Material stolen 2000	
		Material destroyed 1200	3,200
		" Material sold	2,200
		" Material waste sold	100
		" Material at site etc	4,000