



**INTEGRAL AND
NON - INTEGRAL ACCOUNTS**

Q. 1. A fire destroyed some accounting records of a company. You have been able to collect the following from the spoilt papers / records and as a result of consolation with accounting staff in respect of January, 2014 :

(i) Incomplete Ledger Entries :

Raw - Materials A/c

	₹	₹
Beginning Inventory	32,000	

Work - in - Progress A/c

	₹	₹
Beginning Inventory	9,200	Finished Stock
		1,51,000

Creditors A/c

	₹	₹
Closing Balance	19,200	Opening Balance
		16,400

Manufacturing Overheads A/c

	₹	₹
Amount Spent	29,600	

Finished Goods A/c

	₹	₹
Opening Inventory	24,000	
		Closing Inventory
		30,000

(ii) **Additional Information :**

1. The cash - book showed that ₹ 89,200 have been paid to creditors for raw - material.
2. Ending inventory of work - in - progress included material ₹ 5,000 on which 300 direct labour hours have been booked against wages and overheads.
3. The job card showed that workers have worked for 7,000 hours. The wage rate is ₹ 10 per labour hour.
4. Overhead recovery rate was ₹ 4 per direct labour hour.

You are required to complete the above accounts and prepare the cost sheet for the company.

Q. 2. In the absence of the Chief Accountant, you have been asked to prepare a months cost accounts for a company which operates a batch costing system fully integrated with the financial accounts. The following relevant information is provided to you.

	₹	₹
Balances at the beginning of the month :		
Stores Ledger control account		25,000
Work in progress control account		20,000
Finished goods control account		35,000
Prepaid Production overheads brought forward from previous month		3,000
Transactions during the month :		
Materials purchased		75,000
Material issued		
To Production	30,000	
To Factory Maintenance	4,000	34,000
Materials transferred between batches		
Total wages paid :		
To Direct workers	25,000	
To Indirect workers	5,000	30,000
Direct wages charged to batches		20,000
Recorded non - productive time of direct workers		5,000
Selling and distribution overheads incurred		6,000
Other Production Overheads Incurred		12,000
Sales		1,00,000
Cost of Finished goods sold		80,000
Cost of Goods completed and transferred into finished goods during the month		65,000
Physical value of work in progress at the end of the month		40,000

The production overhead absorption rate is 150% of direct wages charged to work in progress.

Required :

Prepare the following accounts for the month :

- (a) Stores Ledger Control Account (b) Work in Progress Control Account
- (c) Finished Goods Control Account (d) Production Overhead Control Account
- (e) Profit and Loss Account

Q. 3. Om Enterprises operates an integral system of accounting. You are required to pass the Journal Entries for the following transaction that took place for took place ended 30th June 2013.

	₹
Raw materials purchased (50% on Credit)	6,00,000
Material issued to production	4,00,000
Wages paid (50% Direct)	2,00,000
Wages charged to production	1,00,000
Factory overhead incurred	80,000
Factory overhead charged to production	1,00,000
Selling and distribution overhead incurred	40,000
Finished goods at cost	5,00,000
Sales (50% Credit)	7,50,000
Closing stock	Nil
Receipts from debtors	2,00,000
Payment to creditors	2,00,000