

Cost Sheet

It is a statement & it is one of the functions of cost accounting. It may be defined as “detailed statement of the elements of cost incurred in production, arranged in a logical order, order various heads such as material, labour & over head, prepared at short intervals of time”.

Cost Sheet (without adjustments)

Particulars	Amount
Direct Material	Xxx
Direct Labor Dir	Xxx
ect Expenses	Xxx

PRIME COST	Xxx
Add: Factory Overheads	Xxx

FACTORY/MANUFACTURING/WORKS COST	Xxx

Add:Office&AdministrativeOverheads	Xxx

COSTOFPRODUCTION	Xxx
Add:Selling&DistributionOverheads	Xxx

COSTOFSALES	Xxx
Profit	Xxx

Sales	Xxxx
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Cost Sheet(withadjustments)

Particulars	Amount
Opening Stock of	Xxx
MaterialAdd:PurchaseofRawM	Xxx
aterialAdd:Carriage Inwards	Xxx

Less:ClosingStockofrawMaterialSa	Xxx
le ofRawMaterial	Xxx
Returns	Xxx

RAWMATERIALSCONUMED	Xxx
Add:DirectLabor	Xxx
DirectExpenses	xxx

PRIMECOST	Xxx
Add: FactoryOverheads	Xxx

FACTORY/MANUFACTURING/WORKS COSTINCURRED	Xxx
Add:openingstockofWork-	Xxx
inprogressLess:ClosingStockofWork-	xxx
inprogress	

FACTORYCOST	----- Xxx
Add:Office&AdministrativeOverheads	Xxx

COSTOFPRODUCTION	Xxx
Add: Opening stock of finished	Xxx
GoodsLess:Closing Stockoffinished	Xxx
goods	-----
	Xxx
COSTOFGOODS SOLD	Xxx
Add:Selling&DistributionOverheads	-----
	Xxx
COSTOFSALES	Xxx
Profit	-----
	Xxxx
Sales	=====

1. PrimeCost

It is otherwise called as Direct cost. It includes all Direct material, Direct Labor & Direct Expenses

If opening stock Raw material and Closing Stock Raw Material is given then we have to find out the Raw Material Consumed.

2. FactoryCost

It is otherwise called as 'Work cost' or manufacturing cost'. It refers to indirect material, indirect labour and indirect expenses. If opening of work-in-progress and closing stock of work-in-progress is given, then we have to find out the factory cost incurred.

3. Cost of Productions

It can be arrived by adding the office and administrative over heads with factory cost. These overheads are not having direct link with production but they are required for running a

business unit. If there is opening stock of finished goods and closing stock of finished goods then we have to calculate cost of goods sold.

4. Cost of Sales

To arrive cost of sales, the selling & distribution overheads should be added with the cost of production, if there is no opening stock of finished goods or closing stock of finished goods. If either opening or closing stock of finished goods is given, then selling and distribution overheads should be added with cost of goods sold to arrive the cost of sales.

5. Sales

It is the selling price i.e. the price at which goods are sold. The sales can be calculated by adding the profit with cost of sales. The profit can be either on 'sales' or on 'cost'. If nothing is given, then we have assumed on the basis of sales.