AS PER THE NEW SYLLABUS PRESCRIBED BY THE SAVITRIBAI PHULE PUNE UNIVERSITY, PUNE FOR T.Y.B.COM EFFECTIVE FROM JUNE, 2015

COST AND WORKS ACCOUNTING
(Overheads and Methods of Costing-II)
T.Y.B.COM

- DR. SANJAY L. ARGADE
  ASSOCIATE PROFESSOR
  Department of Commerce
  K. J. Somaiya College of Arts, Commerce and Science, Kopargaon

- Difference between Work Certified and Work Uncertified
1. Work Certified:

Work Certified is the cost of that part of the contract work which is being completed by the contractor for which a completion certificate has been issued by the contractee’s architect. The amount of work certified is debited to Contractee’s Account and credited to Contract Account.
2. Work Uncertified:

Work Uncertified is the cost of that part of the contract work which is being completed by the contractor but not certified by the architect because of the faulty work or the work not according to the specifications. In respect of such work there will be no payment from the contractee. The cost price of each work is debited to Work-in-progress Account and credited to Contract Account.
Difference between Work Certified and Work Uncertified:

<table>
<thead>
<tr>
<th>Work Certified</th>
<th>Work Uncertified</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Work Certified is the cost of that part of the contract work which is being completed by the contractor for which a completion certificate has been issued by the contractee’s architect.</td>
<td>1. Work Uncertified is the cost of that part of the contract work which is being completed by the contractor but not certified by the architects because of the faulty work or the work not according to the specifications.</td>
</tr>
<tr>
<td>Work Certified</td>
<td>Work Uncertified</td>
</tr>
<tr>
<td>----------------</td>
<td>------------------</td>
</tr>
<tr>
<td>2. The amount of work certified is debited to Contractee’s Account and credited to Contract Account.</td>
<td>2. The amount of work uncertified is debited to Work-in-Progress Account and credited to Contract Account.</td>
</tr>
</tbody>
</table>
3. The cost of work certified represents the total expenditure incurred on the contract to the date, less cost of work uncertified, material in hand, plant at site etc.

1. The cost of work uncertified represents the cost of the work which has been carried out by the contractor but has not been certified by the architect. It is always shown at cost price.
4. Cost of work certified may be ascertained as follows:
   Cost of Work Certified = Cost of work to date – (Cost of Work Uncertified + Materials in Hand + Plant at site).

4. The cost of Work Uncertified may be ascertained as follows:
   Cost of Work Uncertified = Total cost to date (Cost of Work Certified + Materials in Hands + Plant at site).
Thank You