

**Vidya Vikas Mandal's**  
**Shree Damodar College of Commerce & Economics, Margao-Goa**  
**FY BCA, Semester II, End Semester Examination, April 2019**  
**Cost Accounting (BCA203)**

**Duration: 2 hrs**

**Max Marks: 50 mks**

*Instructions:*

1. All questions are compulsory
2. Start each new question on a fresh page
3. Figures to the right indicate maximum marks

**Q1. Write short notes on: (Any 5)**

**(5x2=10)**

- a) Minimum Level
- b) Piece Rate System
- c) LIFO Method
- d) Pre-determined cost
- e) Cost Accounting
- f) Service costing
- g) Labour Turnover
- h) Danger Level

**Q2) A) From the following information for the month of January 2017, prepare Cost Sheet to show the following components. (10 Mks)**

a) Prime Cost    b) Factory Cost    c) Cost of Production    d) Total Cost    e) Profit

Particulars	Amount
Direct Materials	57,000
Direct wages	28,500
Factory Rent & Rates	2,500
Office Rent & Rates	500
Plant Repairs & Maintenance	1,000
Plant Depreciation	1,250
Factory Heating & Lighting	400
Factory Managers Salary	2,000
Office Salaries	1,600
Directors Remuneration	1,500
Telephone & Postage	200
Printing & stationery	100
Legal Charges	150
Advertisement	1,500
Salesman salary	2,500
Showroom Rent	500
Sales	1,16,000

**OR**

**Q2) B) a)** Write short note on FIFO Method.

(2 Mks)

**b)** From the following transactions prepare Stores Ledger Account using LIFO Method. (8 Mks)

Oct 1	Opening Stock	200 units @ Rs. 25 each
Oct 4	Purchases	200 units @ Rs. 24 each
Oct 5	Issue	250 units
Oct 10	Purchases	150 units @ Rs. 23 each
Oct 12	Issue	200 units
Oct 18	Purchases	100 units @ Rs. 24 each
Oct 22	Purchases	100 units @ Rs. 23.50 each
Oct 25	Issue	250 units

**Q3) A) a)** Write short note on Simple Average Method.

(2 Mks)

**b)** From the following transactions prepare Stores Ledger Account using Simple Average Method. (8 Mks)

Apr 1	Opening Stock	300 units @ Rs. 2 each
Apr 2	Purchases	200 units @ Rs. 2.20 each
Apr 4	Issue	150 units
Apr 6	Purchases	200 units @ Rs. 2.30 each
Apr 11	Issue	150 units
Apr 19	Issue	200 units
Apr 22	Purchases	200 units @ Rs. 2.40 each
Apr 27	Issue	150 units

**OR**

**Q3) B) a)** Write short notes on the following:

(4 Mks)

- 1) Reorder Level
- 2) Maximum Level

**b)** Calculate Minimum level, Maximum level, Re-order level from the following information. (6 Mks)

Re-order quantity	3,000 units
Re-order period of materials	4 to 6 weeks
Maximum Consumption	750 units per week
Normal Consumption	500 units per week
Minimum Consumption	250 units per week

**Q4) A) i)** Write a short note on Taylor's Differential Piece Rate System.

(2 Mks)

**ii)** Calculate the earnings of worker A and Worker B under Piece Rate System and Taylor's Differential Piece Rate System from the following particulars: (8 Mks)

Standard Production – 8 units per Hour

Normal time rate – Rs 4 per Hour

Workers work for 9 hours per day.

Differential Piece Rate to be applied as follows:

1) 80% of piece rate for below standard performance

2) 120% of piece rate for performance at or above standard

Actual Performance:

Worker A produced 54 units in a day and Worker B produced 75 units in a day.

**OR**

Q4) B) a) Write short notes on the following:

(6 Mks)

- 1) Causes of Labour Turnover
- 2) Measures to overcome Labour Turnover

b) Calculate the total earnings of a worker under Rowans Plan and also find out effective rate of earnings per hour from the following information. (4 Mks)

Standard Time – 20 Hours

Time Taken by a Worker – 16 Hours

Hourly Rate of Wages – Rs. 4

Q5) A) A product passes through 3 processes. During December 2017, 2000 units were produced with the following expenditure. (10 Mks)

Particulars	Process A	Process B	Process C
	Amount	Amount	Amount
Direct Material	4,000	6,000	4,000
Direct Wages	12,000	10,000	8,000
Direct Expenses	3,000	3,200	4,000

Overall Indirect expenses amounted to Rs. 20,000 of which Rs. 15,000 is to be allocated to all the 3 processes. These expenses are to be allocated on the basis of direct wages. Main raw material issued to Process A besides above direct material was worth Rs. 16,000. Prepare Process Account showing Cost per unit and the total cost.

OR

Q5) B) Following expenses were incurred by a contractor on contract in the year 2016. (10 Mks)

Particulars	Amount
Materials Purchased	40,000
Wages Paid	43,000
Wages Outstanding	1,000
Plant at cost	6,000
Establishment Expenses	2,000
Materials in Hand	1,500
Plant on Hand	4,000
Share Capital	20,000
Creditors	3,500

The contract price was Rs. 1,50,000. Cash received Rs. 67,500 being 75% of work certified. The cost of the work done but uncertified was Rs. 1,000. Prepare Contract A/c and Balance Sheet.