

Vidya Vikas Mandal's
Shree Damodar College of Commerce & Economics, Margao-Goa
FY BCA, Semester II, End Semester Examination, April 2018
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)

(10 Mks)

- a) FIFO Method
- b) Cost Accounting
- c) Contract Costing
- d) Labour Turnover
- e) Time Rate System
- f) Minimum Level
- g) Semi-variable cost

Q2 A) Prepare a cost sheet from the following information for the year ended 31st December 2015
Showing:

(10 Mks)

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

Particulars	Amount
Opening Stock of raw materials	8,000
Purchase of raw materials	48,000
Closing Stock of raw materials	8,800
Factory Rent and Rates	4,000
Wages- Direct	64,000
Wages- Indirect	40,000
Factory Insurance	6,200
Work Managers Salary	30,000
Depreciation on office building	2,000
Plant repairs and maintenance	1,500
Salary to salesman	10,000
Showroom Rent	2,500
General Expenses	1,000
Printing and Stationery	500
Salary to office staff	20,000
Opening stock of work-in-progress	6,000
Closing stock of work-in-progress	2,000
Advertisement Expenses	4,000
Sales	2,50,000

OR

Q2 B) a) Write short notes on the following:

(4 Mks)

- 1) LIFO Method
- 2) Weighted Average Method

b) From the following information prepare Stores Ledger Account using Simple Average Method.

(6 Mks)

- | | |
|--------|---------------------------------------|
| Oct 5 | Purchased 500 units at Rs. 4 per unit |
| Oct 12 | Issued 400 units |
| Oct 17 | Purchased 900 units @ Rs. 5 per unit |
| Oct 20 | Issued 400 units |
| Oct 22 | Purchased 600 units @ Rs. 6 per unit |
| Oct 25 | Issued 600 units |

Q3) A) From the following information prepare Stores Ledger Account using LIFO Method.

(10 Mks)

- | | |
|---------|---------------------------------------|
| June 1 | Opening Stock 500 units at Rs. 2 each |
| June 6 | Purchased 400 units at 3 each |
| June 9 | Issued 400 units |
| June 14 | Purchased 300 units at Rs 4 each |
| June 20 | Issued 100 units |
| June 21 | Issued 400 units |
| June 24 | Purchased 600 units at Rs 5 each |
| June 27 | Issued 400 units |
| June 28 | Purchased 100 units at Rs 6 each |
| June 30 | Issued 300 units |

OR

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

- 1) Reorder Level
- 2) Maximum Level

(4 Mks)

b) Calculate Minimum level, Maximum level, Re-order level from the following information.

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

(6 Mks)

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

- 1) Halsey Premium Plan
- 2) Piece Rate System
- 3) Rowan Plan

(6 Mks)

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.

Standard time allowed = 20 hours
Hourly rate of wages = Rs 40
Actual time taken = 10 hours

(4 Mks)

OR

Q4) B) a) Write a short note on Taylor's Differential Piece Rate System.

(2 Mks)

b) Calculate the earnings of worker X and Worker Y under Piece Rate System and Taylor's Differential Piece Rate System from the following particulars:

Standard Production – 60 units per Hour
Normal time rate – Rs 6 per Hour
Workers work for 9 hours per day.

(8 Mks)

Differential Piece Rate to be applied as follows:

- 3) 80% of piece rate for below standard performance
- 4) 120% of piece rate for performance at or above standard

Actual Performance:

Worker A produced 500 units in a day and Worker B produced 600 units in a day.

Q5) A) A product passes through 3 processes. The following information is collected for January 2016.

(10 Mks)

Particulars	Process 1	Process 2	Process 3
	Amount	Amount	Amount
Direct Material	5,200	3,960	5,924
Direct Wages	4,000	6,000	8,000
Output in Units during the month	950	840	750
Normal Loss	5%	10%	15%
Value of Scrap per unit	4	8	10

1000 units @ Rs.6 were introduced in Process 1. There was no stock of materials or Work In Progress at the beginning or at the end of that month. The production overhead was Rs. 18,000 for that month and was allocated on the basis of direct wages.

Prepare Process account indicating Normal loss, Abnormal Loss and Abnormal Gain.

OR

Q5) B) Following expenses were incurred by a contractor on contract which he started on 1st January 2014.

(10 Mks)

Rs	
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 in hand	4,000
Share Capital	20,000
Creditors	3,500

The contract price was Rs. 1,50,000. Cash received was 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.