

**Vidya Vikas Mandal's**  
**Shree Damodar College of Commerce & Economics, Margao-Goa**  
**FY BCA, Semester II, MAY/JUNE SUPPLEMENTARY EXAMINATION 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) Simple Average Method
- b) Labour Turnover
- c) Process Costing
- d) Cost Accounting
- e) Piece Rate System
- f) Danger Level
- g) Pre-determined cost

**Q2 A) Prepare a cost sheet from the following information for the year ended 31<sup>st</sup> 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	25,000
Purchase of raw materials	85,000
Closing Stock of raw materials	40,000
Carriage inward	5,000
Direct Wages	75,000
Rent & Rates- Factory	5,000
Rent & Rates- Office	1,000
Factory heating & lighting	500
Legal Charges	400
Direct Expenses	15,000
Advertisement	1,500
Showroom rent	800
Factory Managers Salary	6,000
Office Managers Salary	10,000
Depreciation on loose tools	1,000
Sales	2,00,000

**OR**

**Q2 B) a) Explain Material Procurement procedure.**

**(4 Mks)**

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

**(6 Mks)**

April 1	Opening Stock 300 units @ Rs. 2 each
April 5	Purchases 300 units @ Rs. 3 each
April 12	Issue 100 units
April 17	Purchases 100 units @ Rs. 4 each
April 20	Issue 200 units
April 22	Issue 200 units

**Q3) A) a) Write a short note on LIFO Method.**

**(2 Mks)**

b) From the following information prepare Stores Ledger Account using FIFO Method

Sept 1	Opening Stock 500 units at Rs. 10 each
Sept 6	Purchases 100 units at 11 each
Sept 9	Issue 500 units
Sept 14	Purchases 700 units at Rs 12 each
Sept 20	Issue 500 units
Sept 24	Purchases 400 units at Rs 13 each
Sept 27	Issue 400 units
Sept 28	Issue 100 units

**(8 Mks)**

**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	7,200 units
Re-order period of materials	2 to 4 weeks
Maximum Consumption	1,350 units per week
Normal Consumption	900 units per week
Minimum Consumption	450 units per week

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

(6 Mks)

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

b) Calculate the total earnings of a worker under Halsey Premium Plan and also find out effective rate of earnings per hour from the following information.

(4 Mks)

Rate per hour = Rs 10  
Actual time taken = 25 hours  
Standard time allotted = 30 hours  
Percentage of bonus = 50%

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:

(8 Mks)

Standard Production – 10 units per Hour

Normal time rate – Rs 5 per Hour

Workers work for 10 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 X produced 80 units in a day of 10 hours and Worker Y produced 110 units in a day of 10 hours.

Q5) A) A product passes through 3 processes. During December 2015, 2000 finished units were produced with the following expenditure.

(10 Mks)

Particulars	Process A	Process B	Process C
	Amount	Amount	Amount
Direct Material	2,000	4,000	2,000
Direct Wages	10,000	8,000	6,000
Direct Expenses	1,000	1,200	2,000

Overhead expenses amounted in all to Rs. 12,000. 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.12,000. Prepare Process Account showing Cost per unit and the total cost.

OR

Q5) B) Following expenses were incurred by a contractor on contract which he started on 1<sup>st</sup> January 2016

(10 Mks)

	Rs
Materials	40,000
Wages	50,000
Other Expenses	15,000
Plant at cost	50,000
Work certified	1,20,000
Work uncertified	60,000
Materials in hand	11,000
Plant in hand	43,000
Cash received from Contractee	1,00,000
Materials returned to stores	2,000
Creditors	5,000
Share Capital	50,000

Prepare Contract account and Balance sheet assuming the contract price Rs. 3,50,000.