

**Goa Vidyaprasarak Mandal's
GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE
AND ECONOMICS, PONDA-GOA
B.C.A (SEMESTER - II) EXAMINATION, APRIL 2019
COST ACCOUNTING**

Duration: 2 Hrs

Marks: 50

Instructions: 1. All Questions are compulsory.
2. Figures to the right indicate marks.

- Q.1. A) Answer the following. (2×5)
- What is Standard Costing?
 - Distinguish between Job costing and Process costing.
 - What is Contract Costing?
 - What is Fixed Cost?
 - Explain the concept of Work Certified and Work Uncertified.

- Q.2.A) The following information is obtained from the Sai Ltd. for the year ended December 2018. (10)

Particulars	Amount	Particulars	Amount
Opening stock of Raw Material	1,10,000	Free Samples Expenses	48,820
Purchases of Raw Material	8,25,000	Fees paid to Brand Ambassador	2,00,000
Carriage Outwards	28,500	Office Stationary and printing	12,200
Direct Wages	4,21,400	Staff salaries	6,30,000
Direct Power	25,840	Trade Discount	1,20,000
Factory Rent Rates and Taxes	50,730	Office Rent	60,000
Depreciation on Factory Building	75,200	Closing stock of finished goods	50,240
Opening stock of Finished Goods	45,280	Closing W.I.P	1,21,720
Closing stock of Raw Materials	36,920	Factory Stationary	12,340

Sales are made to earn profit @10% on cost price. You are required to prepare a statement of cost.

OR

- Q.2. B. i) Explain the following.
- Advantages of Cost Accounting (2^{1/2})
 - Cost Sheet (2^{1/2})
- ii) Write short note on Cost Centre (5)

- Q.3.A) Prepare a Stores ledger account from the following details of M/s Simi Enterprise Limited Company using FIFO Method for the month March 2019. (10)

1 st	Purchased	4000 units @ ` 4.00 per unit
2 nd	Purchased	500 units @ ` 5.00 per unit
3 rd	Issued	2000 units
4 th	Purchased	6000 units @ ` 6.00 per unit

7 th	Issued	4000 units
8 th	Issued	1000 units
10 th	Issued	2000 units
11 th	Purchased	4500 units @ ` 5.50 per unit
15 th	Issued	3000 units

From the above prepare Stores Ledger Account.

OR

Q.3.B i) Two components A and B are used as follows: (6)

Average Consumption 40 units

Normal Usage 50 Units per week each

Minimum Usage 25 units per week each

Maximum Usage 75 units per week each

Re-order Quantity A: 300 units

B: 500 units

Re-order period A: 4 to 6 weeks

B: 2 to 4 weeks

Maximum lead time A: 1 week

B: 2 weeks

Calculate for each material a) Re-order level b) Minimum Level

c) Maximum level d) Average level e) Danger level

B.ii) Explain Weighted Average Method of Inventory Valuation . (4)

Q.4.A.i) Calculate the earnings of a worker under a) Rowan Premium Bonus System, b) Halsey Weir Premium Bonus System (40 per cent to worker) from the following particulars: (6)

Hourly rate of wages (guaranteed) Re.0.75.

Standard time for producing 1 dozen articles is 3 hours

Actual time taken by the worker to produce 20 dozen articles is 48 hours.

ii) Write a short note on Time Wage System and Piece Rate System (4)

OR

Q.4 B.i) Calculate the earnings of A and B under Straight Piece Basis and Taylor's Differential Piece Rate System from the following information: (6)

Standard production: 8 units per hour

Normal time Rate: Re.0.40 per hour.

Differentials to be applied: 80% of piece rate below standard, 120 % of piece rate at or above standard.

In a 9 hours Mr. A Produces 54 units and Mr. Produces 75 units a day

ii) State and explain the causes of Labour Turnover. (4)

Q.5.A) The Product of a manufacturing concern passes through two processes A and B and then to finished stock. It is ascertained that in each process normally 5% of the total weight is lost and 10% is scrap which is from process A and B realises ` 80 per tonne and ` 200 per tonne respectively.

The following are the figure relating to both the processes:

Particulars	Process A	Process B
Materials in Tonnes	1,000	70
Cost of materials per tonne	125	200
wages	18,000	12,000
Manufacturing Expenses	6,000	6,000

Prepare process account showing cost per tonne of each process. There was no stock or work-in-progress in any process. (10)

OR

Q.5.B) M/s Ram brothers having undertaken a contract at a price of ` 3,00,000 started the work on 1st January, 2018. (10)

Prepare a contract account for the year ended 31st December, 2018 from the following particulars:

Particulars	Amount
Materials	85,624
Plant installed at site	15,000
Labour	74,375
Sundry Direct Expenses	3,293
Materials returned to stores	549
Materials at site on 31 st December 2017	1,883
Cash Received (90% of work certified)	1,80,000
Work certified	4,500
Establishment Charges allocated to contract	4,000
Wages due on 31.12.2017	2,640
Value of Plant at site on 31.12.2017	11,000

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