

**Goa Vidyaprasarak Mandal's**  
**Gopal Govind Poy Raiturcar College Of Commerce & Economics**  
**Ponda Goa**

**B.C.A. (SEMESTER-ID) EXAMINATION, MARCH/APRIL 2013**  
**COST ACCOUNTING**

Duration: 2hrs

Marks: 50

- Instructions:** 1) All questions are compulsory.  
 2) Use of calculator is allowed.

Q.1.A) Match the following:

Column A

- 1) Direct labour
- 2) Costing Method
- 3) Mechanical method
- 4) Standard cost
- 5) Bin card

Column B

- a) Records only quantities
- b) Predetermined cost
- c) Marginal costing
- d) Carpenter
- e) Batch costing
- f) Dial time records

(5)

B) Answer in one line:

1. What do you understand by ordering cost?
2. Define marginal cost.
3. What is overtime?
4. What is Job-order costing?
5. What is normal loss?

(5)

Q.2.A) M/s Vijayan and company furnishes you the following cost records for the year ended December 2012.

Closing stock of raw materials	475000
Closing stock of work in progress	79000
Closing stock of finished goods	180000
Factory manager's salary	27000
Sales manager's salary	12000
Carriage inward	5900
Carriage outward	1200
Purchases	130000
Packing charges	2400
Depreciation on machinery	62500
Other selling expenses	5000
Direct wages	55500

Supervisor's salary	7500
Opening stock of raw material	945000
Opening stock of work in progress	95000
Opening stock of Finished goods	205000
Office overheads = 30% of works cost	-----
Percentage of profit on sales =25%	-----

You are required to prepare a statement of cost for the year ended 31/12/2012. (10)

OR

Q.2.B.i) Explain then following

- a) Materials consumed (2½)  
b) Cost concepts (any 4) (2½)

ii) "Fixed costs are variable per unit while variable costs are fixed per unit".  
Comment. (5)

Q.3.A.i) Maharaja Enterprises has provided the following information regarding their product, for the year ended 31/12/2012. (5)

Maximum consumption 260 units per day

Minimum consumption 120 units per day

Normal consumption 200 units per day

Reorder quantity 10000 units

Reorder period 25 to 30 days.

You are required to calculate:

Maximum stock level, Minimum stock level, Re-order level, Average stock level.

ii) Explain in detail the material procurement procedure. (5)

OR

B) Calculate the values of inventories using weighted average method. (10)

Date	Particulars	Units	Value (₹)
Sept. 1, 2012	Balance b/f	400	8000.00
Sept. 2, 2012	Purchases	500	5500.00
Sept. 5, 2012	Issues	250	--
Sept. 7, 2012	Issues	50	--
Sept. 8, 2012	Purchases	350	5950.00
Sept. 9, 2012	Purchases	200	4400.00
Sept. 10, 2012	Issues	400	--
Sept. 11, 2012	Purchases	350	7875.00
Sept. 14, 2012	Issues	500	--
Sept. 15, 2012	Purchases	450	10350.00

Q. 4 A. i) From the following particulars calculate the earnings of workers under Taylor's differential piece rate system. (8)

Normal rate per hour = ₹ 0.90

Standard time per piece = 20 minutes

Low piece rate = 83% of piece rate

High piece rate = 125% of piece rate

In 9 hours a day – Employee A produces 25 units

Employee B produces 30 units.

ii) Differentiate between direct labour and indirect labour. (2)

OR

Q. 4 B. i) Standard time allowed for job is 24 hours and rate per hour is ₹ 3/- plus a dearness allowance at the rate of 0.50 paise per hour worked. (6)  
Actual time taken by a worker is 17 hours.

Calculate the earnings under –

(a) Straight time rate system

(b) Halsey premium plan

ii) Write a note on labour turnover. (4)

Q.5 A) A product is finally obtained after it passes through 3 distinct processes. (10)

	Total	Process I	Process II	Process III
Material	5625	2600	2000	1025
Direct labour	7330	1250	3680	1400
Production overhead	7330	--	--	--

500 units @ 4 per unit were introduced in process I. Production overheads were absorbed as % of direct wages.

	Actual output	Normal loss	Value of scrap per unit
Process I	450	10%	2
Process II	340	20%	4
Process III	270	25%	5

Prepare process Account and show all the workings.

OR

Q.5. B) Raj Construction Company with a paid up Capital of ₹ 50,00,000/- undertook a contract to construct a light house. Contract work commenced on 1<sup>st</sup> January 2011 and the contract price was ₹ 50,00,000/-. (10)

Cash received on account of Contract as on 31/12/2011 was ₹18,00,000/- (90% of work certified). Work completed but not certified estimated at ₹ 1,00,000/-. As on 31/12/2011 material at site was estimated at ₹ 30,000/-.

Plant and machinery at site to be depreciated at 5%.

Wages outstanding as on 31/12/2011 was ₹ 5,000/-.

Following is their trial Balance as on 31/12/2011.

Particulars	Debit	Particulars	Credit
Plant & Machinery (at cost 60% at site)	25,00,000.00	Cash at Bank	1,33,000.00
Land & Building	15,00,000.00	Wages	2,50,000.00
Material sent to site	14,00,000.00		
Fuel & Power	1,25,000.00		
Site Expenses	5,000.00		
Postage & Telegrams	4,000.00		
Office Expenses	8,000.00		
Rate & Taxes	15,000.00		

Prepare Contract account for the year ended 31/12/2011 and also show the abstracts of Balance sheet as on that date.

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Process	Actual output	Normal loss	Value of scrap per unit
Process I	450	10%	2
Process II	340	20%	4
Process III	270	25%	2

OR