

**TILAK MAHARASTRA VIDYAPEETH, PUNE**  
**BACHELOR OF COMMERCE (B.COM)**  
**EXAMINATION – MAY 2022**  
**THIRD/FIFTH SEMESTER**

**Sub.: Cost and Work Accounting - I (BCOM19-302C / BCWA-501)**

**Date: 24/05/2022**

**Total Marks: 60**

**Time: 2.00 pm to 4.30 pm**

**Instructions:** 1) All questions are compulsory. 2) Figures to the right indicate full marks.

**Q. 1 a) Fill in the blanks (Any 5) (05)**

1. LIFO Stand for \_\_\_\_\_
  - a) Last in First Out
  - b) Last in Fast Out
  - c) Last in Fast Out
  - d) Last in First Out
2. Cost accounting is a science, art and \_\_\_\_\_ of cost accountant
  - a) Commerce
  - b) Practice
  - c) Method
  - d) Profession
3. Works cost is the total of \_\_\_\_\_ and \_\_\_\_\_.
  - a) Prime cost and selling overheads
  - b) Prime cost and factory overheads
  - c) Prime cost and administration overheads
  - d) Cost of production and office expenses
4. Prime cost + factory overhead = \_\_\_\_\_
  - a) Cost of goods sold
  - b) Total cost
  - c) Profit
  - d) None of these
5. Total cost + profit = \_\_\_\_\_.
  - a) Total cost of goods sold
  - b) Sales
  - c) Direct expenses
  - d) None of these
6. Bin Card is the record of \_\_\_\_\_ only.
  - a) Quantities
  - b) Quantities and Values
  - c) Values
  - d) None of this
7. Overhead consists of -----
  - a) Direct cost
  - b) Indirect cost
  - c) Fixed cost
  - d) Total cost

**Q.1 b) State whether the following statement are true or false (any 5) (05)**

- 1 Bin Card is the part of Accounting.
- 2 Goods received note is prepared by the goods receiving clerk.
- 3 Purchase order is prepared by departments which require materials.
- 4 Store ledger is maintained by storekeeper.
- 5 High rate of labour turnover decreases labour cost.
- 6 Taylor's differential piece rate system does not guarantee a minimum time wages.

**Q. 2** Prepare a statement of Cost from the following information relating to Mumbai Traders, Mumbai for the year ended 31-03-2009

Particulars	Rs.
Cost of Direct Material	2, 00,000
Sales	4, 00,000
Direct Wages	1, 00,000
Office Indirect Material	5,000
Cost of Special Patterns	40,000
Postage and Telegrams	2,000
Factory Rents and Insurance	5,000
Outstanding chargeable Expenses	2,000

**(20)**

Carriage Outward	2,500
Interest on Loan	2,150
Printing and Stationery	500
Factory Indirect Wages	3,000
Selling on Cost	4,000
Travelling Salesman's Salary	4,000
Factory Indirect Material	1,000
Royalties	8,000
General Works Overheads	2,000
Bad Debts written off	1,000

Also calculate the percentage of profits earned to sales

OR

**Q. 2** Distinguish between Financial Accounting and Cost Accounting

**Q. 3 a)** Calculate maximum stock level, minimum stock and reorder level from the following **(10)**

- 1) Reorder Quantity 750 units
- 2) Reorder period 2 to 3 weeks
- 3) Maximum consumption 200 units
- 4) Normal consumption 150 units
- 5) Minimum consumption 125 units

**Q.3 b)** Write short notes. (Any 2) **(05)**

- 1 Economic order quantity (EOQ)
- 2 Advantages and disadvantages of Halsey premium plan
- 3 Limitations of Cost Accounting
- 4 Classification of materials

**Q.4 a)** The receipt and issues of a steel article no 1 for the month of January 2021 were as under

Particulars		Numbers	Rate (Rs)
1.1.21	Opening stock	50	1.90
5.1.21	Receipts	400	2.00
6.1.21	Receipts	250	2.10
7.1.21	Issues	300	
8.1.21	Receipts	400	2.30
20.1.21	Issues	600	
21.1.21	Receipts	700	2.20
28.1.21	Issues	450	
29.1.21	Issues	220	

**(15)**

The issue were charged on the principles of F.I.F.O. show the stores account as it would appear in stores ledger

OR

**Q. 4** From the following information calculate total earning and effective rate of earnings of

- b)** workers Rajesh and Ramesh is under
- I) Halsey Plan (40% to workers) and
  - II) Rowan Plan

Hourly rate of wages, guaranteed – Rs. 10

Normal time for producing one dozen articles is – 6 hours

Actual time taken for producing 10 dozen articles as under

Rajesh – 40 Hours

Ramesh – 50 Hours