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BACHELOR OF COMMERCE (B.COM.)
EXAMINATION- DECEMBER- 2022
FIFTH SEMESTER

Sub.: Cost & Works Accounting-I (BCOM19- 302, BCWA-501)

Date: 6/12/2022

Total Marks: 100

Time: 10.00 am to 1.00 pm

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

Q.1(a) Fill in the blanks (Any 5) (10)

- 1 Overhead consists of -----
 - a) Direct cost
 - b) Indirect cost
 - c) Fixed cost
 - d) Total cost
- 2 Marriage of girl is -----cause of labour turnover
 - a) Impersonal
 - b) Personal
 - c) Unavoidable
 - d) Avoidable
- 3 The process of recording the attendance of worker is known as -----
 - a) Time keeping
 - b) Time booking
 - c) Job card
 - d) Recording of time
- 4 Under _____ system a worker is paid on the basis of time attended by him
 - a) Measured Day Rate
 - b) Piece Rate System
 - c) Differential Time Rate
 - d) Time Rate
- 5 The process of recording the time spent on jobs is known as _____
 - a) Time
 - b) Time booking
 - c) Time System
 - d) Time keeping
- 6 Bin Card is the record of _____ only.
 - a) Quantities
 - b) Quantities and Values
 - c) Values
 - d) None of this
- 7 Factory rent is ----- type of overhead.
 - a) Factory overhead
 - b) office overhead
 - c) selling overhead
 - d) None of this

Q.1(b) State whether the following statement are true or false (any 5) (10)

- 1 Classification and Codification of material are same.
- 2 Labour turnover increases total cost
- 3 Factory on cost and factory cost are same.
- 4 Time keeping and Time booking are same methods of labour attendance.
- 5 Economic Order Quantity is also termed as Economic lot size.
- 6 When material issued is in excess of requirements, the unused materials are returned to store ledger with a Material Return Note
- 7 Price of material is not important in purchase of material process.

Q.2(a) From the following particulars relating to M/s Chamdmal Bros. Chinchwad, Prepare a Cost Sheet Showing (20)

(A) Prime Cost, (B) Factory Cost, (C) Cost of Production (D) Cost of Sales,

| Particulars | Rs. |
|---|------------|
| Cost of materials consumed | 40,000 |
| Oil and waste | 100 |
| Operating labour | 9,000 |
| Wages of Foreman | 1,000 |
| Direct Expenses | 2,000 |
| Stores Keepers Wages | 500 |
| Sales | 1, 00,000 |
| Commission paid to the partner, Mr Chandmal | 350 |
| Electricity power | 200 |
| Salary paid to the partner, Mr Rajml | 650 |
| Consumable stores | 1,000 |
| Direct wages payable | 1,000 |
| Lighting | |
| i. Factory | 500 |
| ii. Office | 200 |
| Carriage outward | 150 |
| Rent | |
| i. Office | 1,000 |
| ii. Factory | 2,000 |
| Warehouse charges | 200 |
| Repairs and Renewals | |
| i. Factory plant | 500 |
| ii. Machinery | 1,000 |
| iii. Office premises | 200 |
| iv. Warehouse | 100 |
| Advertising | 400 |
| Depreciation | |
| i. Office premises | 500 |
| ii. Machinery | 200 |
| Traveling expenses | 200 |
| Office manager's salary | 2250 |
| Salesmen's commissions and salaries | 500 |
| Director's fees | 500 |
| Printing and stationery | 200 |
| Telephone charges | 50 |
| Postage | 100 |
| Bad debts | 450 |

OR

Q.2(b) What do you mean by cost? Explain all elements of cost in detail.

Q.3(a) The following information is available in respect of a material. **(10)**

Economic Ordering Quantity: 900 units

Rate of consumption per month :

1. Normal 150 units
2. Maximum 180 units
3. Minimum 220 units

Delivery period :

1. Minimum 4 weeks
2. Normal 5 weeks
3. Maximum 6 weeks

Calculate: (1) Reorder Level, (2) Maximum Level, (3) Minimum Level, (4) Average Stock Level.

Q.3(b) Write short notes. (Any 4) (20)

- | | |
|-----------------------------------|-------------------------------------|
| 1) Objectives of Cost Accounting | 2) Objectives of good store-keeping |
| 3) Limitations of Cost Accounting | 4) Specimen of Quotation |
| 5) Economic order quantity | 6) Specimen of Purchase Order |

Q. 4 Solve the following problem (Any 2) (30)

1. Following particulars have been extracted in respect of material X. Prepare a Stores Ledger Account showing the Receipts and Issues, Pricing the Materials issued on the basis of Simple FIFO Method

Receipts:

- 1.10.2012 Opening stock 200 units at Rs. 3.50 per unit
- 3.10.2012 Purchased 300 units at Rs. 4.00 per unit
- 13.10.2012 Purchased 900 units at Rs. 4.30 per unit
- 23.10.2012 Purchased 600 units at Rs.3.80 per unit

Issues:

- 5.10.2012 Issued 400 units
- 15.10.2012 Issued 600 units
- 25.10.2012 Issued 600 units

2. Distinguish between Financial Accounting and Cost Accounting
3. Define the term cost, costing, cost accounting. Explain objectives of Cost Accounting.
4. The receipt and issues of a Iron article No.1 for the month of January 2016 were as given below

| Date | Particulars | Numbers | Rate Rs. |
|------|---------------|---------|----------|
| 1 | Opening stock | 50 | 1.90 |
| 3 | Receipts | 400 | 2 |
| 14 | Receipts | 250 | 2.10 |
| 15 | Issues | 300 | |
| 20 | Receipts | 400 | 2.30 |
| 21 | Issues | 600 | |
| 23 | Receipts | 700 | 2.20 |
| 28 | Issues | 450 | |
| 31 | Issues | 220 | |

The issues were charged on the principle of L.I.F.O. show the store account as it would appear in store ledger.