

Total No. of Questions : 4]

SEAT No. :

PA-1833

[Total No. of Pages : 4

[5952]-510

T.Y. B.Com.

355 - e : COST AND WORKS ACCOUNTING - II

(2019 Pattern) (Semester - V)

Time : 2½ Hours]

[Max. Marks : 50

Instructions to the candidates :

- 1) All questions are compulsory.
- 2) Figures to the right indicate full marks.
- 3) Use of statistical tables & calculator is allowed.

Q1) a) Fill in the blanks (Any 5 out of 6) : [5]

- i) Normal Bad debts is an example of \_\_\_\_\_ overheads.
  - a) purchase
  - b) selling
  - c) prime
  - d) income
- ii) The Cost Accounting Standards Board develops \_\_\_\_\_.
  - a) Cost accounting standards
  - b) Financial accounting standards
  - c) Reporting standards
  - d) Recording standards
- iii) Overheads are absorbed on the basis of absorption \_\_\_\_\_.
  - a) rules
  - b) policy
  - c) rates
  - d) procedure

P.T.O.

- iv) In activity based costing system, cost \_\_\_\_\_ is like a cost centre.
- a) unit
  - b) centre
  - c) pool
  - d) driver
- v) As per CAS-15 \_\_\_\_\_ overheads comprises selling overheads and distribution overheads.
- a) purchase
  - b) production
  - c) banking
  - d) marketing
- vi) \_\_\_\_\_ overheads vary with the volume of output.
- a) Variable
  - b) Fixed
  - c) Rigid
  - d) Flexible
- b) Match the following : [5]
- |                    |                                       |
|--------------------|---------------------------------------|
| i) CAS - 11        | - Improved products                   |
| ii) CAS - 3        | - Providing a service                 |
| iii) Service Cost  | - Production and Operations overheads |
| iv) Research costs | - Unaffected by variations            |
| v) Fixed overheads | - Administrative overheads            |

**Q2) Short Notes (Any Two out of Four) :**

**[10]**

- a) Cost Accounting Standards
- b) Activity Based Costing
- c) Overheads and Types
- d) Absorption of overheads

Q3) In H Ltd there are three Production Departments viz A, B and C and one Service Departments D. The other details as regards to the expenses and other charges for the period ended 31<sup>st</sup> March 2021 are as follows : [15]

Particulars	Amt
Indirect Materials	
Production Department	
A	295
B	535
C	365
Service Department	
D	405
Rent	2000
Repairs and Maintenance	1200
Electric Lighting	200
Depreciation	900
Supervisors Salary	3000
Employers Liability for Employees Insurance	300
Power	1800
Insurance on Stock	1000

The following additional data is also made available in respect of the four departments.

#### Additional Information

Particulars		Production departments			Service departments
		“A”	“B”	“C”	“D”
Area	sq.ft.	150	110	90	50
Value of Stock	Rs.	15000	9000	6000	–
Number of Employees	Number	24	16	12	8
Value of Plant	Rs.	24000	18000	12000	6000
Total Wages	Rs.	8000	6000	4000	2000

You required to apportion the costs to various departments on most equitable basis. Re-apportion the overheads costs of Department D to the Production Departments A, B and C in the ratio of 40% : 40% : 20% respectively.

**Q4)** Cisco Ltd has installed a Historical Costing System and follows the practise to absorb overheads on the basis of pre-determined rate. The following particulars are made available relating to the financial year ended on 31<sup>st</sup> March 2021. **[15]**

Particulars	Rs.
Stock of Work-In-Progress	40000
Factory overheads absorbed	84740
Stock of Finished Goods	120000
Actual Factory Overheads	109740
Cost of Goods Sold	240000

Determine unabsorbed overheads and indicate clearly the profit implications of different methods of disposal of underabsorbed overheads.

□□□