

[6315]-310

T.Y. B.Com.

**355-e : COST AND WORKS ACCOUNTING - II**  
**(2019 Pattern) (Semester - V)**

*Time : 2 1/2 Hours]**[Max. Marks : 50]**Instructions to the candidates:*

- 1) All questions are compulsory.
- 2) Figures to the right indicates full marks.

**Q1) A) Fill in the blanks (Any 5 out of 6) [5]**

- i) Normal \_\_\_\_\_ is an example of selling overheads
 

a) Purchase	b) Bad debts
c) Prime	d) Income
- ii) \_\_\_\_\_ are business expenses not directly attributed to creating a product or service.
 

a) Overheads	b) Prime cost
c) Costing	d) Pricing
- iii) Apportionment of overhead is \_\_\_\_\_ of overheads to more than one cost centre on some equitable basis.
 

a) Reporting	b) Prime expenses
c) Distribution	d) Totalling
- iv) \_\_\_\_\_ is an example of fixed overheads
 

a) Material	b) Labour
c) Direct expense	d) Rent

v) \_\_\_\_\_ is a method of cost accounting that identifies and assigns costs to specific activities.

- Activity-Based Costing
- Contract costing
- Batch processing
- Material accounting

vi) The Cost Accounting Standards Board develops \_\_\_\_\_

- Cost accounting standards
- Reporting standards
- Financial accounting standards
- Recording standards

B) Match the following : [5]

i) CAS - 15	- grouping of individual costs
ii) Fixed overheads	- under applied overhead
iii) Under absorption	- over applied overheads
iv) Over absorption	- deals with Selling and Distribution overheads
v) Cost Pool	- unaffected by variations

**Q2) Short Notes (Any Two out of Four) [10]**

- Cost Accounting Standard 3
- Activity Based Costing
- Cost Pools and Cost Divers
- Classification of overheads

**Q3)** The following data were obtained by Global Summit for the month ended 31<sup>st</sup> March 2021 from which you are required to calculate the departmental overhead rate for each of the production department assuming that overheads are recovered as percentage of Direct Wages **[15]**

Particulars	Production departments			Service departments	
	“A”	“B”	“C”	“X”	“Y”
Direct materials in Rs.	15000	30000	30000	22500	22500
Direct wages in Rs.	30000	45000	60000	15000	30000
Staff numbers No.	1500	2250	2250	750	750
Electricity KWH	6000	4500	3000	1500	1500
Capital value of Assets in Rs.	60000	40000	30000	10000	10000
Area Sq. ft.	1500	2500	500	500	500
Light Points No.	10	16	4	6	4

Other expense for the period were :

The overhead Expenses for the period were:

Particulars	In Rs
Power	1100
Lighting	200
Stores Overhead	800
Staff Welfare	3000
Depreciation	30000
Repairs	6000
General Overheads	12000
Rent and Taxes	550

Apportion the overhead expenses of service dept “Y” on the basis of direct wages and those of service dept “X” in the ratio of 10:6:4 to the, Production Depts.

**Q4)** Galaxy 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.

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