

**S. B. B. Alias APPASAHEB JEDHE ARTS, COMMERCE & SCIENCE COLLEGE, PUNE 02.**

**TERM END EXAM - 2017 - 2018**

**SUBJECT :- COST & WORKS ACCOUNTING - (III)**

**T.Y. B.Com.**

**Time - 2 hrs.**

**Marks - 60**

**Instruction -**

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

**Q.1 A) Fill in the blanks. (any 3) 3**

- 1) Budgetary control process involves checking & evaluation of ..... performance.
- 2) High p/v ratio indicates ..... profitability.
- 3) In cost accounting marginal cost does not include .....
- 4) The summary of all functional budget is known as ..... budget.
- 5) Inter-firm comparisons become meaningless in the absence of ..... system.

**B) True or False. (any 3) 3**

- 1) Contribution = Fixed cost + profit
- 2) Marginal costing is also known as variable costing.
- 3) Budget are estimated.
- 4) Uniform costing is a costing method like job or process costing.
- 5) Inter-firm comparison is the technique of comparing the performance of a firm in an industry.

**C) Write short notes on. (any 3) 12**

- 1) Limitations of MIS
- 2) Uniform cost manual
- 3) Breakeven point
- 4) Cash Budget
- 5) Advantages of Interfirm comparison

**Q.2 Define Uniform costing. Explain the advantages & Limitations of Uniform costing system. 12**

**OR**

**What do you mean by MIS? Explain its objectives & advantages.**

**P.T.O.**

**Q.3 Two businesses X Ltd. & Y Ltd. sell the same type of product in the same type of market. Their budgeted profit & loss account for the coming year are as follows:**

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| Particular            | X Ltd. (in Rs.) |          | Y Ltd. (in Rs.) |          |
|-----------------------|-----------------|----------|-----------------|----------|
|                       |                 |          |                 |          |
| Sales                 |                 | 1,50,000 |                 | 1,50,000 |
| Less : Variable costs | 1,20,000        |          | 1,00,000        |          |
| Fixed costs           | 15,000          | 1,35,000 | 35,000          | 1,35,000 |
| Budgeted Net Profit   |                 | 15,000   |                 | 15,000   |

You are required to:

- Calculate the break-even point of each business:
- Calculate the sales volume at which each of the business will earn Rs. 5,000 profit.

**Q.4 Prepare a Flexible budget for overhead expenses on the basis of the following data & determine the overhead rates at 70% & 90% plant capacity.**

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| Expenses  | At 80% capacity (Rs.) |
|---|-----------------------|
| <b>Variable Overheads</b>                       |                       |
| Indirect Labour                                 | 12,000                |
| Stores including spares                         | 4,000                 |
| <b>Semi-Variable Overheads</b>                  |                       |
| Power (30% fixed, 70% variable)                 | 20,000                |
| Repairs & Maintenance (60% fixed, 40% variable) | 2,000                 |
| <b>Fixed Overheads</b>                          |                       |
| Depreciation                                    | 11,000                |
| Insurance                                       | 3,000                 |
| Salaries  | 10,000                |
| <b>Total Overheads</b>                          | <b>62,000</b>         |

Estimated Direct labour hours at 80% capacity 124000 hrs.

