

Particular	Per Unit (Rs)
Direct Material	10
Direct Labour	18
Factory Overhead (20% Fixed)	16
Administrative Overhead (Fixed)	12
Selling & Distribution overhead (60% Variable)	14

Find out profit or loss at each capacity if selling price per unit is Rs.80 at all level of capacity

Q-3 Attempt all questions (14)

a State limitations of budgetary control **7**

b Prepare Cash budget for the period April to June 2018. **7**

- Opening cash balance 200000.
- Month wise Sales, Purchase, Wages & Other expenses are as under.

Month	Sales	Purchase	Wages	Overheads
March	320000	220000	16000	8000
April	430000	270000	18000	10000
May	320000	310000	17000	12000
June	230000	200000	14000	10000

- Time lag in payment of wages is $\frac{1}{2}$ month and overhead is $\frac{1}{4}$ month.
- Dividend of Rs.25000 to be received in May,2018.

Q-4 Attempt all questions (14)

a Discuss the importance of ratio analysis **7**

b Give any five formulas of ratios related to profit & loss account **7**

Q-5 Attempt all questions (14)

a Capital employed Rs.9,00,000,8% debenture Rs. 1,00,000, 6% preference **7**

share capital Rs. 2,00,000, EBT(PBT) Rs.2,50,000, Income tax rate 50%. Calculate return on capital employed, return on shareholder's fund & return on equity share holder fund.

b Explain in brief classification of ratios **7**

Q-6 Attempt all questions (14)

a State the advantages & limitations in preparing cash budget **7**

b Discuss accounting standard 3 in brief **7**

Q-7 Attempt all questions (14)

A factory having total annual production capacity of 40,000 units estimates its production cost at 40% and 60% capacity as under **14**

Particulars	40% Capacity	60% Capacity
Direct Material	400000	600000
Direct wages	240000	360000



Direct Expenses	160000	240000
Semi Variable Exp :		
Factory Exp.	700000	800000
Administrative Exp.	520000	580000
Selling Exp.	280000	320000
Total Fixed Exp.	600000	600000
Profit/(loss)	(100000)	700000

Prepare flexible budget at 50%,75% and 90% production capacity and find profit at each level.

Q-8

a

Attempt all questions

(14)

Below is the balance sheet of Mr. X

7

Particulars	1-4-17 (Rs.)	31-3-18 (Rs.)
Assets		
Cash	10000	7000
Debtors	30000	50000
Stock	35000	25000
Machinery	80000	55000
Land	40000	50000
building	35000	60000
Total	230000	247000
Liabilities		
Creditors	40000	44000
Mrs. X Loan	25000	-
Loan from bank	40000	50000
Capital	125000	153000
Total	230000	247000

During the year a machine costing Rs.10000(accumulated depreciation Rs.3000) was sold for Rs.5000. The balance of provision for depreciation against machinery as on 1st April ,17 was Rs.25000 and on 31st March ,18 Rs.40000.Net profit before tax for the year 2017-18 amounted to Rs. 49000.Rs.4000 tax was paid during the year.

You are required to prepare Cash flow statement

b

Discuss the utility of cash flow statement

7

