

Class: T.Y.B.Com

Subject: Sample Question SEM V

Paper Name: Cost Accounting

1. **Cost accounting is directed toward the needs of**
 - a) **Government**
 - b) **External users**
 - c) **Internal users**
 - d) **Shareholders**
2. **An example of fixed cost is:**
 - a) **Materials consumed**
 - b) **Depreciation**
 - c) **Factory power**
 - d) **Packing material**
3. **Prime costs plus variable overheads is known as**
 - a) **Production cost**
 - b) **Marginal costs**
 - c) **Total cost**
 - d) **Cost of sales**
4. **In most of the manufacturing industries, the most important element of cost is**
 - a) **Material**
 - b) **Labour**
 - c) **Overheads**
5. **Perpetual inventory system involves**
 - a) **Bin card and stores ledger**
 - b) **Bill of material and Material requisition**
 - c) **Purchase requisition and purchase order**
 - d) **Inward and Outward invoices**
6. **The costs that result when a company holds an inventory of goods for sale.**
 - a) **Purchasing costs**
 - b) **Carrying costs**
 - c) **Opportunity costs**
 - d) **Interest costs**
7. **Wage sheet is prepared by**
 - a) **Time- keeping department**
 - b) **Personnel department**
 - c) **Payroll department**
 - d) **Cost accounting department**
8. **Time study is for**
 - a) **Measurement of work**
 - b) **Fixation of standard time**
 - c) **Ascertainment of actual hours**
 - d) **Ascertainment of labour cost**
9. **Idle time is**
 - a) **Time spent by workers in factory**
 - b) **Time spent by workers in office**
 - c) **Time spent by workers off their work**
 - d) **Time spent by workers on their job**
10. **Number of methods available for calculation of labour turnover is**
 - a) **Two**
 - b) **Three**
 - c) **Four**
 - d) **Five**
11. **Merricks multiple piece rate system has**

- a) Two rates
 - b) Three rates
 - c) Four rates
 - d) Five rates
12. The allotment of whole items of cost to cost centres or cost units is called
- a) Cost allocation
 - b) Cost apportionment
 - c) Overhead absorption
 - d) None of the above
13. Salary of a foreman should be classified as a
- a) Fixed overhead
 - b) Variable overhead
 - c) Semi fixed overhead
14. Overhead expenses can be classified according to
- a) Functions
 - b) Elements
 - c) Behaviour
 - d) All of the above
15. Prime cost + Factory overheads = _____
- a) Fixed cost
 - b) Works cost
 - c) Cost of production
 - d) Cost of goods sold
16. In Reconciliation Statement, Expenses shown only in Financial accounts are
- a) Added to financial profit
 - b) Deducted from financial profit
 - c) Ignored
 - d) Added to costing profit
17. Profit as per Financial Accounts 57240
Over recovery of works overheads 240
Under recovery of office expenses 240
Reconciliation statement will show
- a) Profit as per Cost Accounts 57240
 - b) Profit as per Cost Accounts 57720
 - c) Profit as per Cost Accounts 56760
 - d) Loss as per Cost Accounts 57240
18. Discount on Issue of Debentures appears only in _____ accounts.
- a) Financial
 - b) Cost
 - c) Reconciliation
 - d) All of the above