

COST ACCOUNTING (781)
Sample Question Paper
Class XII
2018-19

Time: 3Hours

Max. Marks:60

General Instructions:

1. *Question paper is divided into two sections: Section-A and Section- B.*
2. **Section–A:**
 - i. *Multiple choice question/Fill in the blanks/Direct Questions of 1 mark each. Answer any 10 questions out of the given 12 questions.*
 - ii. *Very Short Answer of 2 marks each. Answer any 5 questions from the given 7 questions.*
 - iii. *Short Answer of 3 marks each. Answer any 5 questions from the given 7 questions.*
3. **Section–B:***Long/Essay type questions of 5 marks each. Answer any 5 questions from the given 7 questions.*
4. *All questions of a particular section must be attempted in the correct order.*
5. *Please check that this question paper contains 33 questions out of which 25 questions are to be attempted.*
6. *The maximum time allowed is 3 hrs.*

SECTION –A

Answer any 10 questions out of the given 12 questions:

1. The document which provides information regarding the progress of each job at each operation is known as: (1)
 - a) Progress advice
 - b) Job ticket
 - c) Job order
 - d) None of the above
2. Job No. 21 was in process at the end of the accounting period. The total cost involved in the Job is RS 15,000 of which RS. 5,000 is direct material. Factory overhead is allocated to goods in process at 150% of direct labour cost. Compute the amount of direct labour charged to Job No. 21 (1)
 - a) RS. 9,000
 - b) RS. 4,000
 - c) RS. 4,000
 - d) RS. 3,000
3. Define Job Costing. (1)
4. Process costing is used in the business where the products are _____ . (1)
5. The cost per unit is the _____ which is calculated by dividing the total process cost by number of units produced in that particular process. (1)

6. In process costing, each process is debited with material cost, labour cost and _____ allocated or apportioned to the process. (1)
7. Operating costing is also known as _____. (1)
8. The transporters may provide services for carrying (1)
 a) Goods
 b) Passengers
 c) Both a) and b)
 d) None of the above
9. Interest paid on loan will be debited to (1)
 a) Cash A/c
 b) Capital A/c
 c) Costing P & L A/c
 d) Financial P & L A/c
10. Do you think that difference in the amount of Depreciation in costing and financial accounting may create difference in Cost Accounting profit from Financial Accounting profit? (1)
11. Payment of donations is Debited to (1)
 a) Trading A/c
 b) Manufacturing A/c
 c) Financial P & L A/c
 d) Costing P & L A/c
12. Interest received on investment will be Credited to (1)
 a) Costing P & L A/c
 b) Capital A/c
 c) Financial P & L A/c
 d) Cash A/c

Very Short Questions: (2 marks each).

Answer any 5 questions out of the given 7 questions:

13. Following are the cost details of KK Industries. You are required to calculate the prime cost. (2)

Particulars	Amount (Rs)
Direct material	2,30,000
Labour cost for manufacturing products	1,25,000
Direct expenses	65,000
Rent for factory	1,00,000

14. What is meant by the term job ticket? (2)
15. Name any two industries using Batch Costing. (2)
16. State any two features of Contract Costing. (2)
17. Write any two differences between Job Costing and Process Costing. (2)
18. Define cost of goods sold. (2)
19. Write any two differences between Normal Loss and Abnormal Loss. (2)

Short Questions: (3marks each).

Answer any 5 questions out of the given 7 questions:

20. What are the different components of cost? Explain any two. (3)
21. Write any three objectives of Job costing. (3)
22. A pharmaceutical company is having annual demand of its medicine 9,000 units. For the production of units, company has to bear setting up and order processing cost of Rs 220. Cost of manufacturing one unit is Rs 1,250. Cost of carrying is 10% per annum. Calculate Economic Order Quantity. (3)
23. Name the industries where Contract costing is used. (3)
24. What is meant by the term Transport Costing? Why log sheet is prepared? (3)
25. What are the various cost components under the transport costing? Explain them with the help of relevant examples? (3)
26. Explain in brief the various types of overheads. (3)

SECTION –B

Long/Essay type questions (5 marks each).

Answer any 5 questions out of the given 7 questions:

27. The following details have been obtained from the cost records of Link Ltd.: Raw material (Opening) Rs 95,000, Raw material (Closing) Rs 98,400, Direct wages Rs 32,000, Indirect wages RS 3,500, Sales RS 3,31,000, Work-in-progress (Opening) Rs 23,000,, Work-in-progress (Closing) RS 34,000, Purchase of raw material RS 86,000, Factory rent and rates Rs 19,000, Depreciation of machinery Rs 4,200, Freight Rs 2,600, Carriage outward RS 5,600, Advertising RS 13,300, Office rent and taxes Rs 7,800, Traveler wages and commission Rs 8,900, Opening stock of finished goods Rs 1,04,000, Closing stock of finished goods Rs 87,000. Prepare a Cost sheet. (5)

28. The following was the expenditure on a contract for RS 6,00,000. (5)

Particulars	Amount (Rs)
Material	1,20,000
Wages	1,64,000
Plant	20,000
Overheads	8,600

Cash received on account of the contract was Rs 2,40,000 being 80% of the work certified. The Value of material in hand was Rs 10,000. The plant has undergone 20% depreciation. Prepare Contract account.

29. 2,000 units of raw material were introduced in a process at a cost of Rs 8,000. The normal wastage allowed is 10%, each unit of waste realizes RS 2.5. The actual production was 1,700 units (with abnormal wastage of 100 units). The expenses being as follows: Direct wages Rs 13,000 and Indirect expenses Rs 6,500. Prepare the process account. (5)

30. Jumbo Pvt. Ltd. operates 2 busses between Delhi and Haryana which are 120 Km apart. Seating capacity of each bus is 40 passengers. Following particulars were obtained from their books for April, 2018: (5)

Particulars	Amount (Rs)
Wages	2,00,000
Monthly salaries of office staff	4,00,000
Diesel	50,000
Insurance premium	20,000
Repairs and overhauling	56,000
Depreciation	35,000
Interest and other charges	25,000

Both the busses ran all the days of the month. Each bus made one round trip per day. You are required to find out the cost per passenger km. (5)

31. Prepare a Memorandum Reconciliation Account from the following details: Profit as per cost accounts were Rs. 59,700 while the profits as per financial accounts were Rs. 60,000. The values of opening and closing stocks as shown in cost accounts and financial accounts were as under: (5)

Particulars	Financial Accounts	Cost Accounts
Raw Material (Opening)	25,000	25,300
Raw Material (Closing)	30,000	29,600
Work in progress (Opening)	16,000	15,500
Work in progress (Closing)	20,000	19,900

32. From the following figures, prepare a reconciliation statement and find the profit as per financial records. (5)

Particulars	Cost records (Rs)	Financial records (Rs)
Net Profit	70,000	
Selling Overheads	6,000	7,000
Provision for doubtful debts		4,000
Factory indirect expenses	8,500	7,000
Director's remuneration		4,000
Income-tax paid		18,500
Rent received from own building		5,500
Depreciation charged	9,100	11,900
Dividend received		1,100
Administrative overheads	4,900	7,800

33. List few items which are purely financial charge, which are only recorded in Cost accounting and few items which are common in both financial records and cost records (5)