

SYBAF SEM -III (COST ACCOUNTING-II)

Sr. No.	Multiple Choice Questions
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- 1 Particulars for Process A- Material (200 units) ₹ 4000; Labour ₹ 3,000; Indirect Expenses ₹ 2,000. Normal wastage is 5% of the Input. One unit of wastage is sold at ₹ 16.50 each.
- a 190 units are transferred to next process at ₹ 9,000
 - b 200 units are transferred to next process at ₹ 9,000
 - c 190 units are transferred to next process at ₹ 7,000
 - d **190 units are transferred to next process at ₹ 8,835**
- 2 Realisable value of abnormal gain is debited to _____.
- a Process A/c
 - b **Abnormal Gain A/c**
 - c Abnormal Loss A/c
 - d Normal Loss A/c
- 3 A chemical process has normal wastage of 10% of input. In a period, 2,500 kg of material were input and there was abnormal loss of 75 kg. What quantity of good production was achieved?
- a **2,175 kg**
 - b 2,250 kg
 - c 2,425 kg
 - d 2,500 kg
- 4 In process Y 75 units of a commodity were transferred from Process X at a cost of ₹ 1,310. The labour and overhead expenses incurred by the process were ₹ 190. 20% of the units entered are normally lost and sold @ ₹ 4 per unit. The output of the process was 70 units.
- a Process account credit side showed Abnormal Gains of ₹ 240
 - b Process account debit side showed Abnormal Loss of ₹ 240
 - c Process account credit side showed Abnormal Loss of ₹ 240
 - d **Process account debit side showed Abnormal Gains of ₹ 240**
- 5 In process costing, each producing department is a _____.
- a Cost unit
 - b **Cost centre**
 - c Investment centre
 - d Sales centre
- 6 Process cost is very much applicable in
- a Construction Industry
 - b **Pharmaceutical Industry**
 - c Airline Company
 - d Paint manufacturers

- 7 _____ cost are decided in advance before they are incurred.
- a **Pre-determined**
 - b Historical
 - c Fixed
 - d Manufacturing
- 8 _____ overheads are incurred in connection with running of factory.
- a Selling and Distribution
 - b Office and Administrative
 - c **Factory**
 - d Pre-production
- 9 The opening stock of finished goods is Rs. 50,000; closing stock of finished goods is Rs. 1,00,000 and the cost of goods manufactured is Rs. 2,00,000. What is Cost of Goods Sold?
- a Rs. 2,00,000
 - b Rs. 2,50,000
 - c Rs. 1,00,000
 - d **Rs. 1,50,000**
- 10 Drawing office salaries is a _____.
- a **Factory overheads**
 - b Office overheads
 - c Selling overheads
 - d Distribution overheads
- 11 The cost per unit of variable costs _____.
- a Increases with increase in volume
 - b **Remains constant**
 - c Constant to a certain volume
 - d Decreases with decrease in volume
- 12 Consider the following- Raw material used ₹ 1,40,000; Direct Labour ₹ 5,00,000; Total Manufacturing overhead ₹ 6,00,000; Beginning work-in-progress ₹ 15,000; Cost of goods sold ₹ 12,05,000. What is the value of the closing work-in-progress?
- a ₹ 65,000
 - b ₹ 35,000
 - c **₹ 50,000**
 - d ₹ 70,000
- 13 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

- 14 In Reconciliation Statement, Expenses shown only in Cost Accounts are _____.
- added to financial profit
 - deducted from financial profit**
 - ignored
 - deducted from costing profit
- 15 In Reconciliation Statement, Overheads Over-recovered in Cost A/c are _____.
- added to Financial Profit
 - deducted from Financial Loss
 - deducted from Costing Profit
 - added to Costing Profit**
- 16 Loss as per cost records ₹ 1,47,440; Loss on sale of Fixed Assets ₹ 8,40,000; Income from Investment ₹ 4,00,000. Reconciliation statement will show _____.
- Loss as per Financial records ₹ 13,87,440
 - Profit as per Financial records ₹ 2,92,560
 - Profit as per Financial records ₹ 5,87,440
 - Loss as per Financial records ₹ 5,87,440**
- 17 Contract price is Rs. 10,00,000, work certified is 60% , Cash received is 80% of Work certified which is Rs. 4,80,000 work certified will be _____.
- Rs. 4,80,000
 - Rs. 6,00,000**
 - Rs. 6,20,000
 - Rs. 3,40,000
- 18 The total cost incurred to date Rs. 2,40,000 cost of work certified is Rs. 2,00,000 work uncertified will be _____.
- Rs. 20,000
 - Rs. 80,000
 - Rs. 40,000**
 - Rs. 1,00,000
- 19 Contract price is Rs. 6,00,000, work certified is 80% of contract price, Cash received is 75% of work certified. If notional profit is ₹ 90,000. The profit to be credited to Profit & Loss a/c is _____.
- ₹ 45,000**
 - ₹ 35,000
 - ₹ 50,000
 - ₹ 40,000
- 20 Loss of material by fire is debited to _____.
- Financial Profit & Loss A/c
 - Costing Profit & Loss A/c**
 - Contract A/c
 - Contractee's A/c

- 21 When the completion stage of the contract is more than half, the profit to be credited to Profit and Loss account will be equal to _____.
- a $\frac{1}{3}$ rd of Notional Profit x cash received work certified
 - b $\frac{1}{2}$ of Notional Profit x cash received work certified
 - c **$\frac{2}{3}$ rd of Notional Profit x cash received work certified**
 - d full Notional Profit
- 22 Contract costing is not used in one of the following industries.
- a Ship building
 - b Civil construction
 - c **Automobiles**
 - d Constuction of Bridge
- 23 The sum of value of work cerified and uncertified appearing in the Contract A/c is called _____.
- a Work done
 - b Work in Process
 - c Work Completed
 - d **Work in Progress**
- 24 Cost accounting differs from financial accounting in respect of _____.
- a reporting of cost
 - b **ascertainment of cost**
 - c control of cost
 - d recording of cost
- 25 Which method of costing is best suited for interior decoration.
- a Contract costing
 - b Operating costing
 - c Process costing
 - d **Job costing**