

CLASS: B.B.A.

15A/46

St. JOSEPH'S COLLEGE (AUTONOMOUS) TIRUCHIRAPPALLI – 620 002

SEMESTER EXAMINATIONS – APRIL 2015

TIME: 40 Minutes

MAXIMUM MARKS: 30

SEM	SET	PAPER CODE	TITLE OF THE PAPER
II	2014	14UBU230204	COST ACCOUNTING

SECTION - A

Answer all the questions:

30 × 1 = 30

Choose the correct answer:

- Direct material is an item of
 - Variable expense
 - Fixed expense
 - Semi-variable expense
 - None of the above
- Income Tax is to be treated as an item to be _____ in the preparation of a cost sheet.
 - Included
 - Excluded
 - None of the above
 - Both of the above
- Increase in total variable cost is due to _____.
 - Increase in fixed cost
 - Increase in sales
 - Increase in production
 - None of the above
- Oil used to keep the machinery in working order is treated as _____.
 - Factory overhead
 - Office overhead
 - Selling overhead
 - None of the above
- _____ is an item to be excluded in cost accounts.
 - Capital expenditure
 - Factory scrap
 - Overheads
 - None of the above
- Bank commission is treated as _____.

- a) Factory overhead b) Office overhead
c) Selling overhead d) None of the above
7. Which of the following method is suitable in times of falling prices?
a) FIFO Method b) LIFO method
c) HIFO method d) None of the above
8. _____ issue purchase order.
a) Purchase department b) Store keeper
c) Clerk d) None of the above
9. Bin card and stores ledger are _____.
a) One and same b) Different
c) Costing department d) None of the above
10. In order to avoid overstocking and under stocking of materials in storeroom, _____ are fixed.
a) Stock levels b) Reorder level
c) Danger level d) None of the above
11. Maximum stock level is _____ reorder level.
a) Above b) Equal to
c) Below d) None on the above
12. Which of the following is the point of repurchase?
a) EOQ b) Reorder level
c) Minimum level d) None of the above
13. Normal idle time is that idle time which is _____.
a) Avoidable b) Unavoidable
c) Postponed d) None of the above
14. If worker works _____ the normal working hours, the excess time is known as overtime.
a) More than b) Less than
c) Standard time d) None of the above
15. Low wages is a reason for _____.

- a) Labour turnover b) Material turnover
c) Inefficiency d) None of the above
16. Under piece wage system worker is paid according to the _____.
a) Time spent b) Quantity of work done
c) Standard time d) None of the above
17. Standard time and actual time are _____.
a) Same b) Different
c) Labour turnover d) None of the above
18. The payroll is a _____.
a) Wage analysis sheet b) Wage sheet
c) Rolled sheet d) None of the above
19. All indirect expenses are called as _____.
a) Overheads b) Selling overhead
c) Administrative overhead d) None of the above
20. Managerial Salaries is treated as _____.
a) Fixed overhead b) Variable overhead
c) Marginal cost d) None of the above
21. Which of the following is the basis of apportionment of depreciation of plants
a) Plant value b) Floor area of plant
c) Both of them d) None of the above
22. _____ implies the identification of production overheads with particular cost centre or department.
a) Allocation b) Apportionment
c) Absorption d) None of the above
23. Standing charges of a machine is also called as _____.
a) Fixed charges b) Variable charges
c) Semi-variable charges d) None of the above
24. _____ is an example for machine expense.

- a) Power
c) Insurance
- b) Rent and rates
d) None of the above
25. _____ is the reason for disagreement in profit.
a) Financial charges
c) Abnormal gain
- b) Stock valuation
d) All the above
26. In which of the following accounting system, the need of reconciliation arises
a) Integral accounting
c) Both are possible
- b) Non-integral accounting
d) None of the above
27. Losses that are unavoidable on account of inherent nature of production processes, are _____.
a) Normal loss
c) Scrap value
- b) Abnormal loss
d) Production overhead
28. The production which is generally against customer's order and not for stock is _____.
a) Batch costing
c) Contract costing
- b) Job order costing
d) All the above
29. Batch costing is applied to _____.
a) Ship building industry
c) Furniture making firms
- b) Engineering workshop
d) All the above
30. Job costing can be used in industries using _____.
a) Standard costing
c) Ratio analysis
- b) Batch costing
d) None of the above
