CBSE Class 12 Cost Accounting 2015 - Set 305 - Compartment

Question Paper

Conducted by the Central Board of Secondary Education (CBSE)

Time Allowed: 3 Hours **Maximum Marks: 60**

General Instructions

(i) This question paper contains 36 questions in four sections.

(ii) Section 1: Questions 1–13 are multiple choice questions carrying 1 mark each; answer any ten.

(iii) Section 2: Questions 14–25 are short answer questions carrying 2 marks each; answer any ten in not more than 50 words each.

(iv) Section 3: Questions 26–31 are short answer questions carrying 3 marks each; answer any five in not more than 70 words each.

(v) Section 4: Questions 32–36 are long answer questions carrying 5 marks each; answer any three in not more than 150 words each.

Section 1

Answer any ten questions from this section. You have to choose one correct option out of the given options and write the same in your answer-book.

1. Cost pool is used in place of cost centre in

(A) ABC System (B) Traditional Costing
(C) Job Costing (D) Operating Costing

2. If fixed cost is ₹ 400, Selling Price ₹ 10 and Marginal Cost ₹ 6, then P/V ratio will be

(A) 35% (B) 40%
(C) 45% (D) 50%

3. It is a technique of reporting to aid the Management and is not one of the methods of costing :

(A) Marginal Costing (B) Contract Costing
(C) Operating Costing (D) Process Costing

4. A budget giving the summary of all operating and financial budgets is called

(A) Fixed budget (B) Flexible budget
(C) Sales budget (D) Master budget

5. The reconciliation of cost and financial accounts can be done by preparing

(A) Profit & Loss A/c (B) Trial Balance
(C) Memorandum Reconciliation Statement (D) Balance Sheet

6. A break-even point may be expressed in terms of

(A) Units only (B) Rupees only
(C) Units and Rupees (D) None of these

7. Where the job is of large and longer duration, the suitable method of costing is

(A) Contract Costing (B) Job Costing
(C) Batch Costing (D) Operating Costing

8. Work-in-progress need not be calculated in

(A) Back flush costing (B) Batch costing
(C) Contract costing (D) Job costing

9. At the level of production of economic batch quantity, the cost which will be minimum is

(A) Set up cost (B) Storage cost
(C) Total cost (D) Carrying cost

10. In process costing, Scrap value of normal loss is

(A) Debited to process A/c. (B) Credited to process A/c.
(C) Debited to P & L A/c. (D) Credited to P & L A/c.

11. Composite unit is distinctive feature of

(A) Job costing (B) Contract costing
(C) Process costing (D) Operating costing

12. The difference between standard costs and actual costs is known as

(A) Marginal cost (B) Variance
(C) Differential cost (D) Abnormal cost

13. The most appropriate method of costing for Hospitals is

(A) Operating costing (B) Contract costing
(C) Process costing (D) None of these

Section 2

Answer any ten of questions from this section.

14. Define 'Variance Analysis'.

15. What is meant by Cost Driver ?

16. Explain 'Escalation Clause' in Contract Costing.

17. Name any four industries where process costing is used.

18. State any two limitations of marginal costing.

19. Name any four items included in financial accounts only.

20. What do you understand by 'budget factor' or 'key factor' ?

21. Give any two points of difference between standard costing and budgetary control.

22. Explain the term 'Contribution' in cost accounting. How is it computed ?

23. Give two examples each of 'standing charges' and 'running charges' with reference to Staff Canteen Costing.

24. How is joint product dealt with in Process Costing ?

25. State limitations of Activity Based Costing.

Section 3

Answer any five of questions from this section.

26. Distinguish between Traditional Costing and Activity based Costing.

27. What are the advantages of Standard Costing ?

28. What do you understand by Batch Costing ? In which industries is it applied ? Give examples.

29. How would you treat the following in process costing ?

1. Abnormal Wastage
2. Abnormal effectives and
3. Cost of by-products.

30. Distinguish between Job Costing and Process Costing.

31. Suggest stating reason, the most suitable method of costing for (a) Ship builders, (b) Printing Press and (c) Hospitals.

Section 4

Answer any three of these questions.

32. Why is it necessary to reconcile the profits shown by Cost accounts and Financial accounts in a factory ? Explain the main sources of the difference.

33. Discuss the significance of the following terms in relation to Marginal Costing :

1. Margin of Safety
2. Profit volume ratio and
3. Angle of incidence.

34. Define budget and budgetary control. State the salient features of budgetary control.

35. What do you mean by cost plus contracts ? In what circumstances this method is used ? What are the demerits of this method ?

36. What are the objectives of Transport Costing ? Give a specimen of operating cost sheet of a Passenger Transport Company.

- End of Question Paper -