Roll No: | | | | | | | | | | | |

GAIN MORE KNOWLEDGE
REACH GREATER HEIGHTS

PRESIDENCY UNIVERSITY

Presidency University Act, 2013 of the Karnataka Act No. 41 of 2013 | Established under Section 2(f) of UGC Act, 1956
Approved by AICTE, New Delhi | Approved By BCI
Bengaluru

Mid Term Examinations - October 2026

Date: 06/10/2026 **Time:** 11:45 AM - 01:15 PM

Course Code: CBS2012 **Course Name:** Cost Accounting

Semester: 3 Semester **Max. Marks:** 50 **Weightage:** 50%

CO - Levels	CO1	CO2
Marks	92	88

PART A: Answer Following Questions. 10 M

Q.N.	Questions	M	CO	BT
1	Define a cost centre and give two examples of it.	2	CO1	BT1
2	What is a cost sheet? State any two advantages of it.	2	CO1	BT1
3	Explain how penalties, fines and abnormal losses are treated in a cost sheet.	2	CO1	BT2
4	What is a stores ledger?	2	CO2	BT1
5	What is a bin card?	2	CO2	BT1

PART B : Answer Any 1 Following Questions. 10 M

Q.N.	Questions	M	CO	BT
6	From the following particulars of Sterling Works for the year, construct a cost sheet showing prime cost, works cost, cost of production, cost of goods sold, cost of sales and profit:	10	CO1	BT3
7	Identify the classification of costs based on (a) nature or elements, (b) degree of traceability, and (c) behaviour, with one suitable example for each.	10	CO1	BT2

Particulars	Amount (₹)
Raw material – opening stock	40,000
Purchases of raw material	2,50,000
Freight inward	10,000
Raw material – closing stock	30,000
Direct wages	1,20,000
Direct expenses	20,000
Factory overheads	60% of direct wages
Work-in-process – opening / closing	25,000 / 15,000
Sale of factory scrap	5,000
Finished goods – opening / closing	30,000 / 50,000
Administration overheads (general)	45,000
Selling and distribution overheads	35,000
Sales	7,00,000

PART C: Answer Any 1 Following Questions. 10 M

Q.N.	Questions	M	CO	BT

<table>
<tr><td>8</td><td>The accounts of Meridian Engineering for the year just ended show:
<table><tr><th>Particulars</th><th>Amount (₹)</th></tr><tr><td>Direct materials</td><td>2,00,000</td></tr><tr><td>Direct wages</td><td>1,00,000</td></tr><tr><td>Factory overheads</td><td>50,000</td></tr><tr><td>Administration overheads</td><td>35,000</td></tr><tr><td>Selling and distribution overheads</td><td>23,100</td></tr></table>The company has to quote for a job for which direct material is estimated at ₹12,000 and direct wages at ₹8,000. Factory overheads are recovered as a percentage of direct wages, administration overheads as a percentage of works cost, and selling and distribution overheads as a percentage of the cost of production, at the same rates as last year.
(a) Construct the cost sheet for the year, showing the recovery percentage of each overhead.
(b) Prepare the statement of estimated cost for the job.
(c) Quote the tender price, allowing a profit of 20% on the selling price.</td><td>10</td><td>CO1</td><td>BT3</td></tr>
<tr><td>9</td><td>Identify the differences between financial accounting and cost accounting on any six points.</td><td>10</td><td>CO1</td><td>BT2</td></tr>
</table>

PART D: Answer Any 1 Following Questions. 10 M

<table>
<tr><th>Q.N.</th><th>Questions</th><th>M</th><th>CO</th><th>BT</th></tr>
<tr><td>10</td><td>The receipts and issues of material X during January were:
<table><tr><th>Date</th><th>Transaction</th></tr><tr><td>Jan 1</td><td>Opening balance 200 units at ₹10</td></tr><tr><td>Jan 5</td><td>Purchased 300 units at ₹12</td></tr><tr><td>Jan 8</td><td>Issued 400 units</td></tr><tr><td>Jan 12</td><td>Purchased 500 units at ₹14</td></tr><tr><td>Jan 18</td><td>Issued 400 units</td></tr><tr><td>Jan 25</td><td>Purchased 200 units at ₹15</td></tr><tr><td>Jan 28</td><td>Issued 300 units</td></tr></table>Construct the stores ledger under the first-in first-out method and state the value of the closing stock.</td><td>10</td><td>CO2</td><td>BT3</td></tr>
<tr><td>11</td><td>Identify and explain the materials procurement procedure, naming the document used at each stage.</td><td>10</td><td>CO2</td><td>BT2</td></tr>
</table>

PART E: Answer Any 1 Following Questions. 10 M

<table>
<tr><th>Q.N.</th><th>Questions</th><th>M</th><th>CO</th><th>BT</th></tr>
<tr><td>12</td><td>Identify the objectives of material control and the requirements of an effective system of material control.</td><td>10</td><td>CO2</td><td>BT2</td></tr>
<tr><td>13</td><td>The following information relates to material Exe for the first fortnight of April:
<table><tr><th>Date</th><th>Transaction</th></tr><tr><td>Apr 1</td><td>Opening stock 100 units at ₹5</td></tr><tr><td>Apr 5</td><td>Purchased 300 units at ₹6</td></tr><tr><td>Apr 6</td><td>Issued 250 units</td></tr><tr><td>Apr 8</td><td>Purchased 500 units at ₹7</td></tr><tr><td>Apr 10</td><td>Issued 400 units</td></tr><tr><td>Apr 12</td><td>Purchased 600 units at ₹8</td></tr><tr><td>Apr 14</td><td>Issued 500 units</td></tr></table>Compute, under the the last-in first-out methods, the value of the material consumed and the value of the stock on 15th April, and explain why the two sets of FIFO and LIFO figures differ.</td><td>10</td><td>CO2</td><td>BT3</td></tr>
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