

Sample question paper for TYBAF COST ACCOUNTING SEM VI

1. A company which has a margin of safety of Rs.4,00,000 makes a profit of Rs. 1,00,000. If its fixed cost is Rs. 5,00,000, then breakeven sales is:

- a. Rs. 20 lakh
- b. Rs. 25 lakh
- c. Rs. 12.5 lakh
- d. Rs.15 l

2. When the sales increase from Rs. 45,000 to Rs. 6,000, the profit increases by Rs. 5,000. P / V Ratio would be -

- a. 20%
- b. 30%
- c. 33.33%
- d. 66.67%

3. In a period sales amount to Rs.2,00,000, net profit Rs.20,000 and Fixed overheads are Rs. 30,000. If sales Rs. 3,00,000 profit will be:

- a. Rs. 48,000
- b. Rs.50,000
- c. Rs. 40,000
- d. Rs.45,0004.

4. A company has taxed Costs Of Rs. 90,000 with sales of Rs. 3,00,000 and profit of Rs. 60,000. Margin of safety will be:

- a. Rs.1,00,000 .
- b. Rs.1,20,000
- c. Rs.,50,000
- d. Rs.1,30,000

5. A company manufactures and sells three types of product namely A, B and C. Total sales per month is Rs.80,000 in which the share of these three products are 50%, 30% and 20% respectively. Variable cost of these products are 6096, 5096 and 4096 respectively. The combined P/ V Ratio will be:

- a. 49%
- b. 48%
- c. 47%
- d. 50%

6. A plant is operating at 60% capacity. The fixed costs are Rs.30,000, the variable costs are Rs. 1,00,000 and the sales amount to Rs. 1,50,000. The percentage of capacity at which the plant should operate to earn a profit of Rs. 40,000 will be:

- a. 80%
- b. 84%
- c. 90%
- d. 94%

7. When margin of safety. is 20% and P/ V ratio is 60%, the profit will be:

- a. 30%
- b. 33.33%
- c. 12%
- d. None

8. ABC Ltd. had a marginal costing profit of Rs. 1,25,500 in April, 2018. Opening stock were 1,800 units and closing stock were 1,260 units. The company is considering changing to absorption costing system. Fixed overhead absorption rate is Rs. 6 per unit. Profit under absorption . costing will be: '

- a. Rs.1,28,740
- b. Rs.1,22,260

c. Rs.1,14,700

d. Rs.1,33,060

**9. In two periods total costs amounts to Rs 50000 and Rs 40000 against production of 20000 and 15000 units respectively. Determine marginal cost per unit and fixed cost.**

a) Rs 2 and Rs 10,000

b) Rs 4 and Rs 5000

c) Rs 10 and Rs 8000

d) None

**10. year 2017 sales Rs.2,70,000 profit Rs 6000 & 2018 sales Rs.3,00,000 profit Rs.15000 calculate BEP.**

**a) 200000**

**b) 300000**

**c) 2,50,000**

**d) 1,50,000**

11. The following information is available:

Wages for January: Rs. 20,000

Wages for February: Rs. 22,000

Delay in payment of wages: 1/ 2 month

The amount of wages paid during the month of February is –

**a. Rs. 11,000**

**b. Rs. 22,000**

**c. Rs. 20,000**

**d Rs. 21,000**

12. The budget manager of J Ltd. is preparing a Flexible budget. Material costs Rs 7 per unit.

Direct labour averages Rs2.5 per hour and requires 1.60 hours to produce a one unit.

Salesman are paid commission of Rs 1 per unit sold.

Production (units)	1,20,000	1,50,000
Production overheads	9,70,000	11,50,000

What will be total cost at 1,40,000 units?

- a. Rs.26,30,000
- b. Rs. 25,10,000
- c. Rs. 27,70,000
- d. Rs. 28,55,000

13. The budgeted cost of electricity is Rs.62,500 for 5000 units of production per month and Rs.71,500 for 6,200 units of production per month. If the company manufactures 6,900 units in the month of May 2014 the budgeted amount of electricity for the month is

- a) 74360
- b) 76750
- c) 77,770
- d) 79572

14. A budget that gives a summary of all the functional budget is known as

- a) Capital budget
- b) Flexible budget
- c) Master budget
- d) Fixed budget

Ans:

15. If the activity level is reduced from 80% to 70% the fixed cost

- a. will decrease by 10%
- b. will increase by 10%
- c. per unit will decrease
- d. per unit will increase

16.. A company has the following budget for the next month

Finished product	materials
Sales-7000 units	usage per unit 3 kg
Production units 7200	opening stock 400 kgs
	Closing stock 500 kgs

What is the material purchases budget for the month?

- 20900 kg
- 21,100kg
- 21,500 kg
- 21,700 kg

16. . If period of credit allowed to the customer is 2 months then the credit sales of which month will be considered for cash budget.

- a) first month
- b)second month
- c) Third month
- d)fourth month

17. If the sales are 20% cash and 80% for credit each month. Of the credit sales 70% are collected in the month following and the balance in the second month following. Calculate the total amount of collection from debtors in June. If sales in April is 16000

and sales in May 28000.

- a) 3200
- b) 14560
- c) 19520
- d) 24320

18. . . . . is period for which a Budget is prepared and employed.

Control period

Budget period

Accounting period

None of the above

19. A Favourable variance occurs when

- a. actual costs are less than marginal costs
- b. standard costs are less than actual cost
- c. actual costs are less than the selling price
- d. actual costs are less than standard cost

20. The difference between the actual price and the standard price, multiplied by the actual quantity of materials purchased is the

materials cost variance

materials usage variance

materials price variance

materials efficiency variance

21. Last month a company budgeted to sell 8,000 units at a price of Rs.12.50 per unit. Actual sales last month were 9000 units giving a total sales revenue of 1,17,000. what was the sales price variance for last month?

- a. Rs.4000 favourable
- b. Rs.4000 adverse
- c. Rs.4,500 favourable
- d. Rs.4,500 adverse

22. In a factory where std costing is followed 9600 kgs of material at Rs.10.50/kg were actually consumed resulting in a price variance of Rs. 4800 (a) and usage variance of 4000(F). The std cost of actual production is Rs.-----

- a) 100000
- b) 96000

- c) 120000
- d) none of these

23. 27.If actual hrs worked exceed the std hours allowed, the variance which will occur is called as

- a) favourable labour efficiency variance
- b) Adverse labour rate variance
- c) adverse labour efficiency variance
- d) Favourable labour rate variance

24. Std material for 70 kg of finished products is 100 kg

Price of materials Re. 1 per kg

Actual output .2,10,000 kgs

Material used 2,80,000 kgs

Cost of material Rs. 2,52,000

What is actual price per kg

- a) 1.0
- b) 0.9
- c) 0.7
- d) 0.8

25. labour mix variance is 1000 adverse and labour yield variance is 1000 Favourable what should be the labour efficiency variance

- a) 1000 F
- b) 1000A
- c) 2000A
- d) Zero

