TYBAF

Semester VI Examination

Subject: Cost Accounting

Question Paper Format: Multiple Choice Questions

1. The standard units (SQ) were 5,200, the standard price (SP) was ₹3.25, and the materials quantity variance (MQV) was ₹325 favourable. The actual units (AQ) were:
   (a) 5,300
   (b) 5,000
   (c) 5,200
   (d) 5,100

2. Sales volume variance is the difference between
   (a) Actual quantity sold at actual price and standard quantity at actual price
   (b) Actual quantity sold at actual price and standard quantity at standard price
   (c) Actual quantity sold at standard price and standard quantity at standard price
   (d) Actual quantity sold at standard price and standard quantity at actual price

3. The labour rate variance is computed as
   (a) (Actual labour hours worked - Standard labour hours allowed) Actual labour rate
   (b) (Actual labour hours worked - Standard labour hours allowed) x Standard labour rate
   (c) (Actual labour rate - Standard labour rate) x Standard hours allowed
   (d) (Actual labour rate - Standard labour rate) x Actual hours worked

4. What term can be defined as a means of assessing the difference between a predetermined amount and the actual amount?
   (a) Variance analysis
   (b) Differential costing
   (c) Incremental costing
   (d) Marginal Casting

5. 5,400 units of a company's single product were sold for a total revenue of ₹ 1,40,400. Fixed costs in the period were ₹ 39,420 and net profit was ₹ 11,880. What was the contribution per unit?
   (a) ₹ 7.30
   (b) ₹ 9.50
   (c) ₹ 16.50
   (d) ₹ 18.70

6. The contribution to sales ratio of a company is 20% and profit is ₹ 64,500. If the total sales of the company are ₹ 7,80,000, the fixed cost is
   (a) ₹ 1,56,000
   (b) ₹ 1,21,500
   (c) ₹ 1,05,600
   (d) ₹ 91,500

7. Fixed cost is equal to
   (a) Break-even sales x Margin of safety
   (b) Sales x Margin of safety
   (c) Sales x Profit-volume ratio
   (d) Profit-volume ratio x Break even sales

8. The selling price per unit less the variable cost per unit is the:
   (a) Fixed cost per unit
   (b) Gross profit per unit
   (c) Operating profit per unit
   (d) Contribution per unit

9. Which one of the following items would not be included in a cash budget?
   a) Capital repayments on loans
   b) Depreciation charges
   c) Dividend payments
   d) Proceeds of sale of fixed assets

10. 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

11. CVP analysis requires costs to be categorized as
    (a) fixed or variable
    (b) direct or indirect
    (c) product or period
    (d) standard or actual

12. P/V ratio is equal to
    (a) Profit/volume
    (b) Contribution/sales
    (c) Profit/contribution
    (d) Profit/sales

13. When a company produces more than one product, the sales volume variance can be divided into
    (a) Sales mix variance and sales price variance
    (b) Sales efficiency variance and sales price variance
    (c) Sales mix variance and production volume variance
    (d) Sales quantity variance and sales mix variance

14. The term "standard hours allowed" measures
    (a) budgeted output at actual hours
    (b) actual output at standard hours
    (c) budgeted output at standard hours
    (d) actual output at actual hours
15. Budgeted Overheads = Budgeted Hours x ________ Rate.
    (a) Actual
    (b) Standard
    (c) Normal
    (d) Budgeted
16. An increase in the selling price per unit will lead to P/V Ratio.
    (a) Increase
    (b) Decrease
    (c) Can't say
    (d) Undeterminable
17. A budget which, by recognizing the difference between fixed, semi-fixed and variable costs, is designed to change in relation to the level of activity attained."
    (a) Master
    (b) Fixed
    (c) Flexible
    (d) Centre

18. What budget is calculated from the desired ending inventory and the sales forecast?
    (a) Cash flow
    (b) Sales
    (c) Production
    (d) Operating

19. An increase in the fixed cost, _______ change PN Ratio.
    (a) Will
    (b) Will not
    (c) Can't say
    (d) Undeterminable
20. Material ____________Variance is computed by the formula : (SQ - AQ) X SP.
    (a) Usage
    (b) Price
    (c) Mix
    (d) Yield