

VIVEK COLLEGE OF COMMERCE
TYBAF SEM VI 2019-2020
SUBJECT: COST ACCOUNTING IV
MCQ - SAMPLE QUESTIONS

SR. NO.	QUESTIONS	A	B	C	D	CORRECT ANSWER
1	Following is the essence of budgetary control:	Well defined objectives	Incompetent people	Small size	expensive method	Well defined objectives
2	A budget which shows the number of employees and number of labour hours required to produce a budgeted output is termed as _____ budget:	Master	Purchase	Material	Labour	Labour
3	BEP in units is calculated by formula:	Fixed Cost/ P/v ratio	Fixed Cost + Variable Cost	Contribution / sales	Fixed Cost/ contribution per unit	Fixed Cost/ contribution per unit
4	Sales are Rs. 3,00,000, direct cost Rs. 1,70,000, profit is 20% on sale. Fixed cost will be:	Rs. 60,000	Rs. 70,000	Rs. 80,000	Rs. 95,000	Rs. 70,000
5	A company manufactures two products M & N. The contribution per unit is Rs. 50 and Rs. 55 respectively. Product M requires 10 hrs per unit and product N requires 13 hrs per unit. If machine hrs is the limiting factor the most profitable product mix would be:	Only M	Only N	Both M and N	Neither	Only M
6	SP is Rs. 10 and Variable cost is Rs. 4, if the variable cost is decreased by 25%, P/V ratio will be:	70%	25%	30%	20%	70%
7	Accountants salary is	Variable Cost	Fixed Cost	semi variable cost	marginal cost	Fixed Cost
8	A company budgeted to sell 8,000 units at a price of Rs. 12.50 per unit. Actual sales were 9,000 units giving a total sales revenue of Rs. 1,17,000. What is the sales price variance?	4,000 F	4,000 A	4,500 F	4,500 A	4,500 F
9	Labor Time (efficiency) Variance:	(Std Rate – Actual Rate) x Std hrs	(Std Rate – Actual Rate) x Actual hrs	(Std hrs – Actual hrs) x Std Rate	(Std hrs – Actual hrs) x Actual Rate	(Std hrs – Actual hrs) x Std Rate
10	What term can be defined as a means of assessing the difference between a predetermined amount and the actual amount?	Standard costing	Differential Costing	operating Costing	Marginal Costing	Standard costing