

St. Lawrence High School A Jesuit Christian Minority Institution



| Answer Key 11 | |
|--|--|
| Sub: Costing & Taxation Class: XII | |
| Chapter: Unit I: Cost of Materials II | F.M.: 15 |
| Topic: LIFO (Continuation) & Difference between FIF | 0 & LIFO Date: 14/05/2020 |
| 1. LIFO is ideal when | |
| (a) price of materials are increasing; (b) price of materials are deependent | creasing; (c) price of materials remain same; |
| (d) none of these. | |
| 2. FIFO is ideal when | |
| (a) price of materials are increasing; (b) price of materials are dec | <pre>creasing; (c) price of materials remain same;</pre> |
| (d) none of these. | |
| Closing stock is valued at price under FIFO. | |
| (a) past price; (b) current price; (c) future price; (d) none of these | ·. |
| 4. Materials are issued under LIFO in the | |
| (a) same sequence of FIFO; (b) reverse sequence of FIFO; (c) not a | any sequence of FIFO; (d) none of these. |
| 5. AS 2 approves | |
| (a) LIFO; (b) FIFO ; (c) Both LIFO & FIFO; (d) none of these. | |
| 6. Cost of production can be accurate if materials are issued under | ۶r |
| (a) FIFO method; (b) LIFO method; (c) both FIFO and LIFO method | ds; (d) none of these. |
| 7. Number of issues of the given LIFO problem is | |
| (a) 2; (b) 3; (c) 4; (d) 5. | |
| 8. Volume of each issue of the given LIFO problem is | |
| (a) 600 Kg.s & 700 Kg.s; (b) 700 Kg.s each ; (c) 600 Kg.s each; (d) no | one of these. |
| 9. Amount of opening stock of the given LIFO problem is | |
| (a) ₹ 2,500; (b) ₹500; (c) ₹1,000; (d) ₹5,000. | |
| 10. The value of return of the given LIFO problem is | |
| (a) ₹50; (b) ₹100; (c) ₹ 250 ; (d) ₹300. | |
| 11. On 10 th April, 2014, volume and amount of receipts are | |
| (a) 600 & 2,850; (b) 400 & 1,800 ; (c) 200 & 1,000; (d) none of the | se. |
| 12. Balance on 15 th April, 2014, of the given LIFO problem is | |
| (a) ₹2,500; (b) ₹1,000; (c) ₹750; (d) none of these. | |
| 13. Rates of issue on 30 th April, 2014 of the given problem are | |
| (a) ₹4.50 & ₹5.00; (b) ₹5.00 & ₹6.00; (c) ₹4.75 & ₹5.00; (d) no | one of these. |
| 14. Ordering level means at the level when | |
| (a) new order is placed; (b) minimum level is maintained; (c) max | imum level is maintained; (d) none of these. |
| 15. Units of closing stock of the given LIFO problem are | |
| (a) 500; (b) 900; (c) 800; (d) 150 . | |
| | Compiled by |
| | Partha Datta, Asst. Teacher. |
| | , |