



ST. LAWRENCE HIGH SCHOOL

A Jesuit Christian Minority Institution



Answer Key 13

Sub: Costing & Taxation

Class: XII

Chapter: Unit I: Cost of Materials II

F.M.: 15

Topic: Simple Average Method Problems

Date: 16/05/2020

1. Rate of consecutive two issues when there is no fresh purchase in between under simple average method is
(a) different; **(b) same**; (c) no link; (d) none of these.
2. If there are two rates then for computing simple average rate ____ will be in the denominator.
(a) 1; **(b) 2**; (c) 3; (d) 4.
3. Amount of first issue of the first problem of simple average method is
(a) ₹1,925; (b) ₹1,800; (c) ₹2,000; (d) none of these.
4. The rate of last issue of the first problem under simple average method is
(a) ₹5.50; (b) ₹5.00; **(c) ₹6.25**; (d) ₹6.00.
5. The amount of closing stock of the first problem is
(a) ₹1,000; **(b) ₹962.50**; (c) ₹1,900; (d) none of these.
6. Purchasing quantities of the first problem are
(a) 300 & 100 units; (b) 200 & 300 units; **(c) 300 & 200 units**; (d) 200 & 150 units.
7. Units of shortage of the first problem is
(a) 10; (b) 20; (c) 30; **(d) none of these**
8. Units of return of the first problem is
(a) 10; (b) 20; (c) 30; **(d) none of these**
9. The units of shortage of the second problem under simple average method is
(a) 10 & 20; **(b) 10 & 10**; (c) 10 & 30; (d) none of these.
10. Number of issues excluding shortage in the second problem is
(a) 7; (b) 2; **(c) 5**; (d) 9.
11. Amount of opening stock of the second problem is
(a) ₹760; **(b) ₹500**; (c) ₹166; (d) none of these.
12. Rate of first receipt of the second problem is
(a) ₹5.00; **(b) ₹5.20**; (c) ₹5.40; (d) ₹5.60.
13. The initial rate of issue of the second problem is
(a) ₹5.00; (b) ₹5.20; **(c) ₹5.10**; (d) none of these.
14. The rate of last three consecutive issue of the second problem is
(a) ₹5.10; (b) ₹5.30; (c) ₹5.60; **(d) ₹5.50**
15. In the second problem, the cost unit is
(a) tonne; (b) metre; (c) litre; **(d) kg**.

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