Worksheet 11

Sub: Costing & Taxation **Class: XII**

Chapter: Unit I: Cost of Materials II **F.M.: 15**

Topic: LIFO (Continuation) & Difference between FIFO & LIFO   **Date: 14/05/2020**

Choose the correct alternatives: **1 x 15 =15**

1. LIFO is ideal when

(a) price of materials are increasing; (b) price of materials are decreasing; (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 decreasing; (c) price of materials remain same; (d) none of these.

3. 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 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

(a) FIFO method; (b) LIFO method; (c) both FIFO and LIFO methods; (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) none 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 10th April, 2014, volume and amount of receipts are

(a) 600 & 2,850; (b) 400 & 1,800; (c) 200 & 1,000; (d) none of these.

12. Balance on 15th 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 30th April, 2014 of the given problem are

(a) ₹4.50 & ₹5.00; (b) ₹5.00 & ₹6.00; (c) ₹4.75 & ₹5.00; (d) none of these.

14. Ordering level means at the level when

(a) new order is placed; (b) minimum level is maintained; (c) maximum 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.

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