Answer **all** *the questions.*

Each question is followed by four *options lettered* A *to* D. *Find the* **correct** *option for* **each** *question and shade in* **pencil** *on your answer sheet, the answer space which bears the same letter as the option you have chosen.*

Give only **one** *answer to* **each** *question. An example is given below.*

Materials transferred from one department to another may be accompanied by a
A. waybill or receipt.
B. material transfer note.
C. materials requisition note.
D. purchase order.

The correct answer is material transfer note, *which is lettered* B, *and therefore answer space* B *would be shaded.*

[A] [B] [C] [D]

Think carefully before you shade the answer spaces; erase completely any answers you wish to change.

Do **all** *rough work on this question paper.*

Now answer the following questions.

1. Unit cost is the
A. cost of responsibility centre.
B. cost of a unit of product.
C. unit of a product.
D. unit of a service.

2. In evaluating performance, the cost accountant compares
A. actuals with budget.
B. actuals with forecast.
C. standard with forecast.
D. standard with budget.

3. To be relevant, cost accounting information **must** be
A. clear and simple.
B. cost effective.
C. presented on time.
D. useful to management.

4. A good cost accounting system **must** be
A. adaptable to changing needs.
B. free from personal bias.
C. free from errors.
D. reported on time.

5. Estimated cost which is used for planning purposes is
A. imputed cost.
B. notional cost.
C. pre-determined cost.
D. period cost.

6. Cost which is implied when the owner uses his personal assets for the business is
   A. historical cost.
   B. imputed cost.
   C. pre-determined cost.
   D. sunk cost.

7. Direct expenses in a manufacturing concern includes
   A. fuel and lubricants.
   B. primary packaging.
   C. secondary packaging.
   D. special design.

8. The cost of production less the cost of direct material is
   A. conversion cost.
   B. indirect cost.
   C. manufacturing cost.
   D. prime cost.

9. Purchases requisition is initiated by
   A. purchases department.
   B sales department.
   C. stores department.
   D. user department.

Use the following information to answer questions **10** *to* **12.**

Lead time	6 to 10 weeks
Consumption during lead time	11 to 15 kg per week
Re-order quantity	166 kg

10. Re-order level is
   A. 150 kg.
   B. 110 kg.
   C. 90 kg.
   D. 66 kg.

11. Maximum stock level is
   A. 316 kg.
   B. 250 kg.
   C. 166 kg.
   D. 46 kg.

12. Minimum stock level is
   A. 250 kg.
   B. 160 kg.
   C. 148 kg.
   D. 46 kg.

13. The optimum amount of stocks to order at a time is
   A. average stock level.
   B. economic order quantity.
   C. maximum stock level.
   D. minimum stock level.

14. The continuous stocktaking process involves the counting of
    A. a different stock item everyday.
    B. all stock items on a monthly basis.
    C. the quantity of stocks as they are received.
    D. the quantity of stocks as they are issued.

15. The document received by the buyer showing the goods supplied and the amount payable is
    A. goods received note.
    B. pro-forma invoice.
    C. purchases invoice.
    D. stores issue voucher.

16. Skilled workers are highly paid because they
    A. are unlimited in supply.
    B. have special capabilities.
    C. produce more goods.
    D. work longer hours.

17. A statutory deduction on a payroll is
    A. income tax.
    B. provident fund.
    C. taxable pay.
    D. union dues.

Use the following information to answer questions **18** *to* **20**.

Number of employees (1/1/2023)	210
Number employed in 2023	40
Number of employees who left in 2023	60

18. Number of employee on 31/12/2023 is
    A. 270.
    B. 250.
    C. 230.
    D. 190.

19. What is the average number of employees for 2023?
    A. 200
    B. 190
    C. 125
    D. 50

20. Calculate the labour turnover ratio
    A. 60 %.
    B. 50 %.
    C. 30 %.
    D. 15 %.

21. The salaries of management staff is classified as
    A. fixed expenses.
    B. indirect factory cost.
    C. product cost.
    D. variable expenses.

Use the following information to answer questions **22** *to* **24**.

Departments:	A	B	C
Direct materials (kg)	60,000	5,000	6,000
Direct wages (GH¢)	5,000	44,000	3,000
Machine hours	3,000	10,000	24,000
Total overheads (GH¢)	150,000	220,000	72,000

22. The **most** appropriate basis for absorbing overhead in department **A** is
- A. direct wages percentage.
- B. direct materials percentage.
- C. machine hour rate.
- D. prime cost percentage.

23. Using the **most** appropriate basis, the overhead absorption rate for department **B** is
- A. 500 % of direct wages.
- B. GH¢ 44 per kg of direct materials.
- C. GH¢ 22 per machine hours.
- D. 20 % of direct wages.

24. Using the **most** appropriate basis, the overhead absorption rate for department **C** is
- A. 2,400 % of direct wages.
- B. 33.33 % of machine hours.
- C. GH¢ 12 per kg of direct materials.
- D. GH¢ 3 per machine hour.

25. Factory overheads are part of
- A. direct expenses.
- B. fixed costs.
- C. prime cost.
- D. production cost.

26. The appropriate rate used to absorb overheads in a mechanical shop is
- A. direct wages percentage.
- B. labour hour rate.
- C. machine hour rate.
- D. prime cost percentage.

27. The process of charging overheads to cost of units produced is
- A. allocation.
- B. absorption.
- C. apportionment.
- D. redistribution.

28. The cost unit of a restaurant is
- A. a plate of food.
- B. number of customers.
- C. number of plates of food served.
- D. price of a plate of food.

Use the following information to answer questions **29** *to* **30**.

Cost of work done	GH¢ 62,400
Value of architect's certificate	GH¢ 75,600
Work done but not certified	GH¢ 9800

29. Cost of work certified is
- A. GH¢ 72,200.
- B. GH¢ 65,800.
- C. GH¢ 62,400.
- D. GH¢ 52,600.

30. Apparent profit at this stage of completion of the contract is
- A. GH¢ 23,000.
- B. GH¢ 13,200.
- C. GH¢ 9,800.
- D. GH¢ 3,400.

31. The contractee's account will be debited with
- A. GH¢ 75,600.
- B. GH¢ 72,200.
- C. GH¢ 62,400.
- D. GH¢ 52,600.

32. Scrap in processing as compared to the main product has
- A. excess value.
- B. minimal value.
- C. no value.
- D. significant value.

33. The only variable element in break even analysis is
- A. fixed cost.
- B. selling price.
- C. unit variable cost.
- C. volume of production.

Use the following information to answer questions **34** *to* **36**.

Variable cost per unit	Le 13
Fixed cost	Le 16,900
Selling price	Le 17
Sales (units)	14,500

34. Cost of sales using marginal costing technique is
- A. Le 263,400.
- B. Le 246,500.
- C. Le 205,400.
- D. Le 188,500

35. Total contribution is
- A. Le 74,900
- B. Le 62,400.
- C. Le 58,000.
- D. Le 41,100.

36. Calculate the gross profit using marginal costing technique.
   A. Le 171,600.
   B. Le 74,900.
   C. Le 58,000.
   D. Le 41,100.

37. Marginal costing technique is used for
   A. contract costing.
   B. decision making.
   C. overhead absorption.
   D. period costing.

38. A budget prepared for the acquisition of long term resources is
   A. capital budget.
   B. cash budget.
   C. production budget.
   D. sales budget.

39. The control aspect of the budgetary control process occurs
   A. before preparation of the budget.
   B. before implementation of the budget.
   C. during implementation of the budget.
   D. during preparation of the budget.

40. A budgeted low volume of sales will be a limiting factor for
   A. cash budget.
   B. capital budget.
   C. production budget.
   D. sales budget.

41. The involvement of employees in the preparation of the budget
   A. increases workload.
   B. increases labour turnover.
   C. motivate employees.
   D. over burden employees.

42. An advantage of budgeting is to increase
   A. cost consciousness.
   B. the budget period.
   C. the production units.
   D. wages and salaries.

Use the following information to answer questions **43** *to* **45**.

Standard materials	6 kg @ D 10 per kg
Expected quantity to be produced	3,000 units
Actual quantity produced.	4,500 units
Actual material usage	31,500 kg costing D 283,500

43. Actual material price is
   A. D 10.50 per kg.
   B. D 10.00 per kg.
   C. D 9.00 per kg.
   D. D 7.00 per kg.

44. Standard quantity of materials for actual production is
A. 31,500 kg.
B. 27,000 kg.
C. 21,000 kg.
D. 18,000 kg.

45. Materials price variance is
A. D 31,500 A.
B. D 31,500 F.
C. D 15,000 A.
D. D 15,000 F.

46. A standard which assumes that performance is perfect is
A. attainable standard.
B. basic standard.
C. current standard.
D. ideal standard.

47. The objective of variance analysis is to
A. control cost of production.
B. increase quantity produced.
C. motivate the employees.
D. prevent the occurrence of deviations.

48. Which of the following expenses is an imputed cost?
A. Credit purchases
B. Interest on owner's capital
C. Payment for minerals
D. Rent owed

Use the following information to answer questions **49** *and* **50**.

	D
Cost Accounting profit	54,300
Cost of idle time	10,900
Depreciation	5,600
Interest on bank deposit	18,300
Notional interest on capital	16,400

49. Which of the above transactions is found only in the financial account?
A. Cost of idle time
B. Depreciation
C. Interest on bank deposit
D. Notional Interest on capital

50. Financial Accounting profit is
A. D 105,500.
B. D 99,900
C. D 94,300.
D. D 83,500.

END OF PAPER