**Numerical Questions on cost sheets:**

**Question 1:**

A company has the following information for the year ended 31st December 2023:

* Direct materials consumed: Rs. 500,000
* Direct labor: Rs. 300,000
* Factory overhead: Rs. 200,000
* Office and administrative overhead: Rs. 100,000
* Selling and distribution overhead: Rs. 50,000
* Units produced: 10,000 units

**Calculate:**

* Prime cost per unit
* Works cost per unit
* Cost of production per unit
* Total cost per unit

**Question 2:**

A company manufactures a product X. The following information is available for the year ended 31st December 2023:

* Direct materials: Rs. 20 per unit
* Direct labor: Rs. 15 per unit
* Factory overhead: 50% of direct labor cost
* Office and administrative overhead: 10% of works cost
* Selling and distribution overhead: Rs. 5 per unit
* Units produced and sold: 10,000 units

**Calculate:**

* Selling price per unit to earn a profit of 20% on cost of production.

**Question 3:**

A company has the following information for the year ended 31st December 2023:

* Opening stock of finished goods: Rs. 10,000
* Cost of production: Rs. 500,000
* Closing stock of finished goods: Rs. 20,000
* Sales: Rs. 600,000

**Calculate:**

* Cost of goods sold
* Gross profit

**Question 4:**

A company manufactures a product X. The following information is available for the year ended 31st December 2023:

* Direct materials consumed: Rs. 1,000,000
* Direct labor: Rs. 600,000
* Factory overhead: 20% of direct labor cost
* Office and administrative overhead: 10% of works cost
* Selling and distribution overhead: Rs. 10 per unit
* Units produced and sold: 20,000 units

**Calculate:**

* Profit or loss for the year.

**Question 5:**

A company has the following information for the year ended 31st December 2023:

* Direct materials consumed: Rs. 200,000
* Direct labor: Rs. 150,000
* Factory overhead: 25% of direct labor cost
* Office and administrative overhead: 10% of works cost
* Selling and distribution overhead: Rs. 5 per unit
* Units produced and sold: 10,000 units
* Selling price per unit: Rs. 40

**Calculate:**

* Profit or loss for the year.

**Balance Sheet Numerical questions**

**Numerical Questions to practice preparing balance sheets:**

**Basic Level:**

1. **Simple Balance Sheet:**
   * Prepare a balance sheet for a business with the following information:
     + Cash: Rs. 10,000
     + Accounts Receivable: Rs. 20,000
     + Inventory: Rs. 30,000
     + Equipment: Rs. 50,000
     + Accounts Payable: Rs. 15,000
     + Owner's Equity: Rs. 95,000
2. **Adjustments to Balance Sheet:**
   * A company has the following balances:
     + Cash: Rs. 50,000
     + Accounts Receivable: Rs. 80,000
     + Inventory: Rs. 120,000
     + Equipment: Rs. 200,000
     + Accounts Payable: Rs. 60,000
     + Owner's Equity: Rs. 390,000
   * Make the following adjustments:
     + Depreciate equipment by Rs. 10,000.
     + Write off bad debts of Rs. 5,000.
     + Accrue interest expense of Rs. 2,000.
   * Prepare the adjusted balance sheet.

**Intermediate Level:**

1. **Balance Sheet with Accruals and Prepayments:**
   * A company has the following balances:
     + Cash: Rs. 25,000
     + Accounts Receivable: Rs. 40,000
     + Prepaid Rent: Rs. 3,000
     + Supplies: Rs. 2,000
     + Equipment: Rs. 80,000
     + Accumulated Depreciation: Rs. 20,000
     + Accounts Payable: Rs. 15,000
     + Unearned Revenue: Rs. 5,000
     + Owner's Equity: Rs. 110,000
   * Prepare the balance sheet after making necessary adjustments for accruals and prepayments.

**Remember to follow the basic accounting equation:**

**Assets = Liabilities + Owner's Equity**

**Numerical Questions on Break-Even Analysis:**

**Question 1:**

**A company has fixed costs of Rs. 100,000, a selling price of Rs. 20 per unit, and a variable cost of Rs. 12 per unit.**

**a) Calculate the break-even point in units. b) Calculate the break-even point in sales revenue. c) If the company wants to earn a profit of Rs. 50,000, how many units must it sell?**

**Question 2:**

**A company sells a product for Rs. 50 per unit. The variable cost per unit is Rs. 30, and the fixed costs are Rs. 200,000.**

**a) Calculate the contribution margin per unit. b) Calculate the break-even point in units. c) Calculate the break-even point in sales revenue.**

**Question 3:**

**A company has a P/V ratio of 40%. Its fixed costs are Rs. 120,000.**

**a) Calculate the break-even point in sales revenue. b) If the company wants to earn a profit of Rs. 60,000, what should be its sales revenue?**

**Question 4:**

**A company's sales are Rs. 500,000, its variable costs are Rs. 300,000, and its fixed costs are Rs. 150,000.**

**a) Calculate the P/V ratio. b) Calculate the break-even point in sales revenue. c) Calculate the margin of safety.**

**Question 5:**

**A company's break-even point is 10,000 units. Its selling price per unit is Rs. 20, and its variable cost per unit is Rs. 15.**

**a) Calculate the fixed costs. b) If the company wants to earn a profit of Rs. 50,000, how many units must it sell?**

**Remember:**

* **Break-even point in units = Fixed Costs / (Selling Price per unit - Variable Cost per unit)**
* **Break-even point in sales revenue = Fixed Costs / P/V Ratio**
* **P/V Ratio = (Contribution Margin / Sales) \* 100**
* **Margin of Safety = (Actual Sales - Break-even Sales) / Actual Sales**

**Gemini was just updated. See update**

# N**umerical Questions on the graphical presentation of Break-Even Analysis:**

**Question 1:**

**A company has fixed costs of $100,000, a selling price of $20 per unit, and variable costs of $10 per unit.**

**a) Calculate the break-even point in units. b) Draw a break-even chart. c) If the company wants to earn a profit of $50,000, how many units must it sell?**

**Question 2:**

**A firm has fixed costs of $20,000, a contribution margin of $5 per unit, and a break-even point of 4,000 units.**

**a) Calculate the selling price per unit. b) Draw a break-even chart. c) If the firm sells 5,000 units, calculate the profit.**

**Question 3:**

**A company has fixed costs of $30,000, a variable cost per unit of $6, and a selling price per unit of $10.**

**a) Calculate the break-even point in units and in sales revenue. b) Draw a break-even chart. c) If the company wants to earn a profit of $20,000, how many units must it sell?**