

PENANG SANGAM HIGH SCHOOL

P. O BOX 44, RAKIRAKI

Worksheet Week 22

SUBJECT: ACCOUNTING

YEAR/LEVEL: 13

Strand 6: COST ACCOUNTING

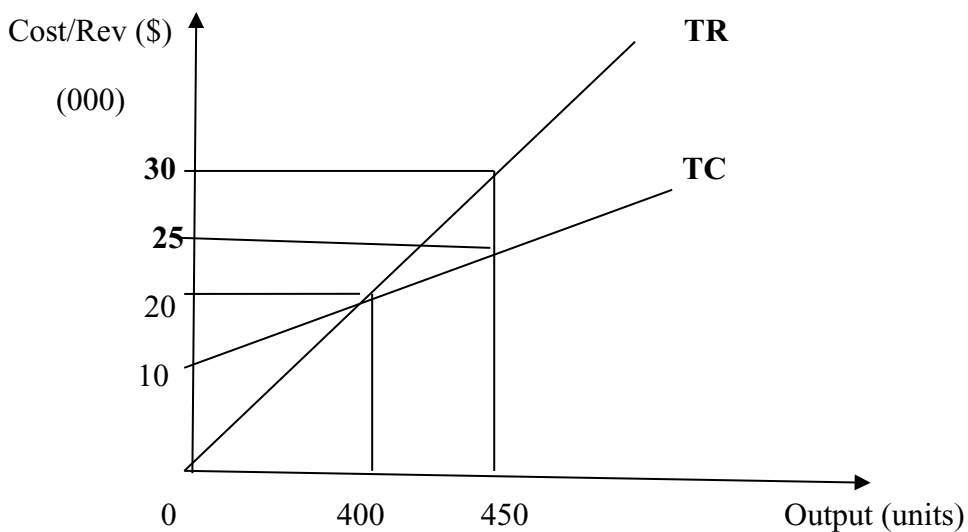
Sub-strand 6.3: Cost Volume Profit (CVP) Analysis

Content Learning Outcome: Explore the cost volume profit analysis.

Greetings to all my students, this week (week 22) we will continue with strand 6: Cost Accounting (sub-strand **CVP Analysis**). If there are any queries do contact me in our 13C Accounting Viber group.

Activity Ref: (Year 13 Accounting Annual Exam 2020)

Breakeven Analysis Graph



Required:

- State the fixed cost of the manufacturer.
- What is the breakeven point in **units**?
- At sales level of 450 units, calculate:

- a) Sales Revenue
- b) Total cost
- c) Variable cost
- d) Net profit/Loss
- e) Margin of safety (\$)

iv) What is the contribution margin **per unit (UCM)**.

v) List **one purpose** of CVP analysis.

vi) Identify **one limitation** of CVP analysis.

(Solutions of these activities will be provided later for verification, Best wishes for week 22 studies, take care and Stay Safe)

