

# Cost Accountant Skills and Knowledge Test

**REPORT**

## **Peter Johnson**

|             |                      |
|-------------|----------------------|
| Time Taken: | 31:17                |
| Started:    | 05/07/2024 20:28 EST |
| Finished:   | 05/07/2024 20:59EST  |

# COST ACCOUNTANT TEST REPORT

## Introduction

The Cost Accounting Test is designed for candidates who are Cost Accountants and are likely to be members of a professional accounting body (e.g. AICPA, CPA, ICAEW, CIMA, CAANZ etc).

## Context

This report is generated from the candidate's responses to 40 questions covering Costing Theory, Variances, Practical Situations and Accounting. Questions are also divided into Basic, Intermediate and Advanced categories to test the extent of each candidate's skills and knowledge.

## Waiver and Limitations

Accountests reports are an indicator of Accounting and Bookkeeping knowledge and skills only. These tools work at their best in conjunction with competency based interview questions to both the candidate and their referees, personality profiles, and ability tests to reach a strong decision on whether to appoint the candidate into a role. Because successful candidate selection is based on personality and ability as well as skills and knowledge, Accountests Ltd accepts no responsibility for selection or other decisions made using this tool and cannot be held liable for the consequences of doing so.

## Test Proctoring Reports

All tests are proctored and will produce a report, available at the completion of the test. You can access these proctoring reports by logging in to the testing platform and selecting the 'Manage Remote Proctoring' tile. For more information on proctoring see our [website](#).

## Norm Group

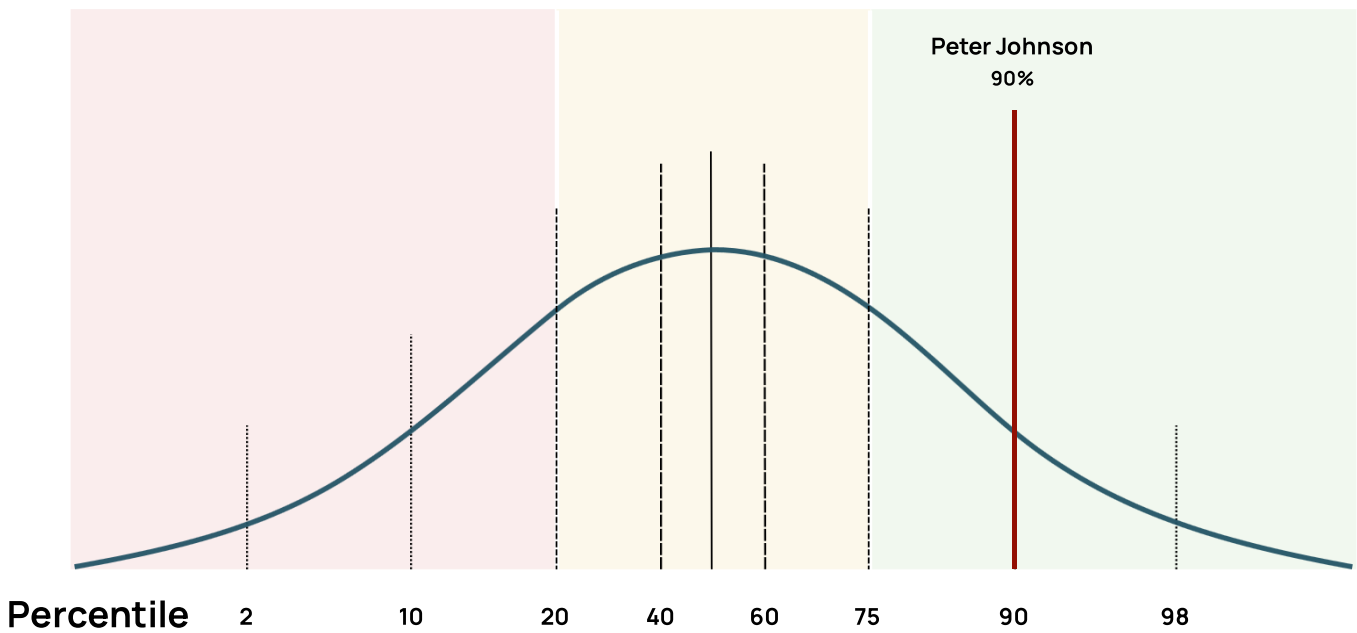
The report also compares a candidate's performance in this test against a norm group of other International Cost Accountants to provide an estimate of skills and knowledge in comparison with their peers

## Content

- 1 Overall test score compared to International Cost Accountants Norm Group
- 2 Overall test score as Questions Correct, Incorrect, and Omitted
- 3 Test performance in Basic, Intermediate and Advanced Questions
- 4 Test performance in Costing Theory, Variances, Practical Situations and Accounting
- 5 Performance in each of the 40 Questions
- 6 Interpreting test scores

## COMPARATIVE PERFORMANCE

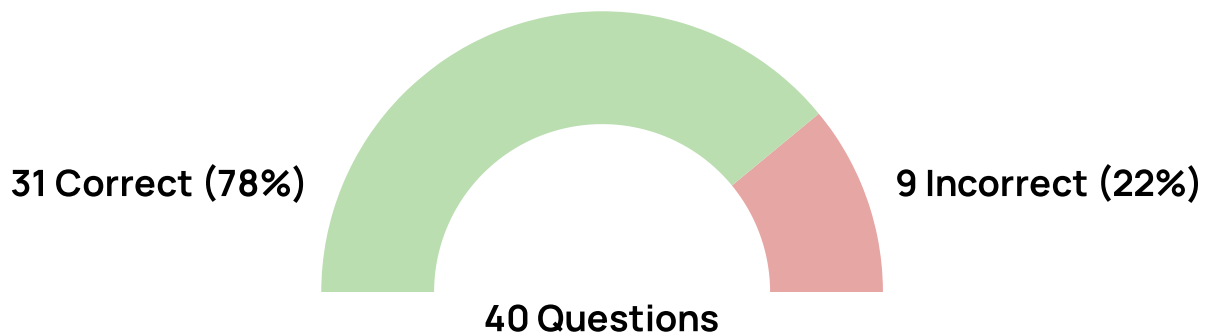
### Percentile Distribution Curve



**When compared to the existing norm group, Peter Johnson scored in the 90th percentile on this test, suggesting that they would achieve a greater than or equal score to 90 in 100 Cost Accountants.**

Whilst percentile scores give a valuable indication of a candidate's score in relation to their peers, using this test in making a strong decision on whether to recruit or promote the candidate requires a deeper analysis of the candidates score in elements of accounting most applicable to the job. The following pages provide that depth of analysis.

### TOTAL SCORE SUMMARY



## ANALYSIS BY DIFFICULTY

### BASIC

Performance in Basic questions in Costing Theory, Variances, Practical Situations and Accounting

**11 Questions (100%)**



### INTERMEDIATE

Performance at the level expected of Competent Cost Accountants in questions covering Costing Theory, Variances, Practical Situations and Accounting

**17 Questions (100%)**



### ADVANCED

Performance above the level expected of most Competent Cost Accountants in questions covering Costing Theory, Variances, Practical Situations and Accounting

**12 Questions (100%)**



## ANALYSIS BY TOPIC

### VARIANCES

Identifying, interpreting and calculating production variances

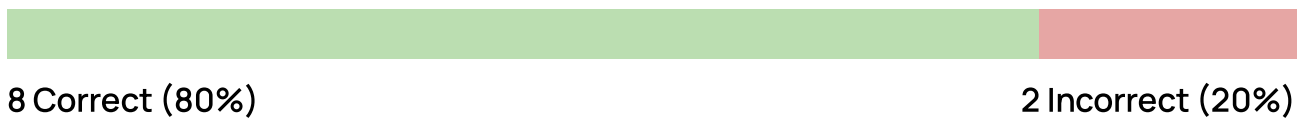
10 Questions (100%)



### COSTING THEORY

Demonstrating an understanding of costing methods and terminology

10 Questions (100%)



### PRACTICAL

Questions based on issues likely to face Cost Accountants on a day to day basis

10 Questions (100%)



## ACCOUNTING FOR INVENTORY

How to account for costing issues and inventory, including an understanding of international accounting standards

10 Questions (100%)























8 Correct (80%)

2 Incorrect (20%)

## RESULTS OVERVIEW

correct =  incorrect =  omitted = 

| Q# | Question Detail                 | Topic          | Difficulty   | A   |
|----|---------------------------------|----------------|--------------|---|
| 1  | Pricing variance                | Variances      | Advanced     |    |
| 2  | Reasons for costing variances   | Variances      | Intermediate |    |
| 3  | Costing variances               | Variances      | Intermediate |    |
| 4  | Materials variance              | Variances      | Advanced     |    |
| 5  | Volume variance                 | Variances      | Intermediate |    |
| 6  | Efficiency variance             | Variances      | Intermediate |    |
| 7  | Labor rate variance             | Variances      | Basic        |    |
| 8  | Materials variance              | Variances      | Advanced     |   |
| 9  | Gross margin vs Budget          | Variances      | Basic        |  |
| 10 | Disclosure of Variances         | Variances      | Basic        |  |
| 11 | Economic order quantities       | Costing Theory | Intermediate |  |
| 12 | Costing terminology             | Costing Theory | Basic        |  |
| 13 | Costing terminology             | Costing Theory | Advanced     |  |
| 14 | Absorption costing              | Costing Theory | Intermediate |  |
| 15 | Costing methods                 | Costing Theory | Basic        |  |
| 16 | Economic Order Quantities       | Costing Theory | Intermediate |  |
| 17 | Direct costing                  | Costing Theory | Advanced     |  |
| 18 | Types of costs                  | Costing Theory | Basic        |  |
| 19 | Why use Activity Based Costing? | Costing Theory | Intermediate |  |
| 20 | Activity Based Costing issues   | Costing Theory | Advanced     |  |

## RESULTS OVERVIEW

correct =  incorrect =  omitted = 

| Q# | Question Detail                     | Topic                    | Difficulty   | A   |
|----|-------------------------------------|--------------------------|--------------|---|
| 21 | Absorption costing                  | Practical                | Intermediate |    |
| 22 | Costing for Multi Channel Retailers | Practical                | Advanced     |    |
| 23 | Variable costs                      | Practical                | Intermediate |    |
| 24 | Variable costs                      | Practical                | Intermediate |    |
| 25 | Direct costing                      | Practical                | Advanced     |    |
| 26 | Costing in a service business       | Practical                | Basic        |    |
| 27 | Process costing                     | Practical                | Intermediate |    |
| 28 | Identifying direct costs            | Practical                | Basic        |   |
| 29 | Transfer prices                     | Practical                | Advanced     |  |
| 30 | Inventory Turnover                  | Practical                | Basic        |  |
| 31 | By-Product costing                  | Accounting for Inventory | Advanced     |  |
| 32 | Accounting for lease costs          | Accounting for Inventory | Advanced     |  |
| 33 | Inventory accounting standards      | Accounting for Inventory | Intermediate |  |
| 34 | Inventory valuation                 | Accounting for Inventory | Advanced     |  |
| 35 | Job Costing                         | Accounting for Inventory | Intermediate |  |
| 36 | Product pricing                     | Accounting for Inventory | Intermediate |  |
| 37 | Journals for inventory              | Accounting for Inventory | Basic        |  |
| 38 | Journals for staff costs            | Accounting for Inventory | Basic        |  |
| 39 | Journals for Inventory              | Accounting for Inventory | Intermediate |  |
| 40 | Interpreting trial balance          | Accounting for Inventory | Intermediate |  |



## INTERPRETING RESULTS

### Interpreting Test Scores

The following information provides a guide on how to interpret the results of a candidate test.

### Sten & Percentile Scores

Your candidate's overall performance score is expressed as both a Sten Score & a Percentile Score as different clients have a preference for either of these scores when comparing their test-takers to the norm group.

If you are unfamiliar with these scores, here is a short definition of both.

#### Sten Scores

Sten scores divide the range of scores a candidate can achieve into ten units. You can think of sten scores as 'marks out of ten', where scores of 1 & 2 are well below average, scores of 3 below average, scores of 4 slightly below average & scores of 5 and 6 average. Scores of 7 are slightly above average, 8 is above average, with scores of 9 and 10 well above average.

#### Percentile Scores

Percentile Scores measure your candidate against an international norm group of similarly qualified and experienced people.

Percentile Scores rank your candidate against the norm group of other Cost Accountants. For example, if your candidate achieves a 65th Percentile Score, then you can expect them to achieve a higher score than 64 in 100 Cost Accountants. A 20th Percentile Score would suggest they would achieve a higher score than 19 in 100 Cost Accountants.

The higher the percentile score achieved by your candidate, the better they have performed against that norm group.

Try not to fall into the trap of only considering candidates with very high percentile scores for selection. A candidate with a percentile score in the 'average band' can be described as a typical performer of technical auditing tasks among the norm group, which is representative of the applicant pool in your country.

If your candidate has achieved an 'average score', take a closer look at their performance in the auditing subjects in the test with a view of determining whether they have performed well in the tasks in the Job Description for your vacant role. You can then determine whether they have reached a benchmark for selection and where you may need to concentrate professional and technical training and support in getting a candidate up to speed if appointed.

### Overall Scores

An overview of test performance provides a summary of on how many questions your candidate completed in the allocated time of 40 minutes, in terms of how many questions they got correct, incorrect and the number of questions omitted. You can use this information to identify candidates with lower percentile scores, but high degrees of accuracy, suggesting they worked slowly but accurately in the test, which may keep them in the selection process.

## INTERPRETING RESULTS

### Omitted Questions

Attention should be paid to the number of questions omitted. Because the test is timed, questions are omitted where a candidate chooses to skip a question and also where they run out of time. To determine whether your candidate ran out of time, look at the cover page to see the time they took to complete the test. If the time is 40:00, then the candidate was still working on the test when their time expired.

### Basic, Intermediate, and Advanced Questions

This page lists the number of questions categorised as Basic, Intermediate and Advanced across the 40 questions of the test, with your candidates performance in each category. This can provide value in determining the skill and knowledge levels your candidate possesses now against the skill level required to perform the job they have applied for.

### Cost Accounting Topics

For each of the four Topics in this test, you can see the number of questions the candidate answered correctly, incorrectly and questions omitted. Hiring managers only interested in one or two topics can concentrate on a candidate's performance in topics essential to success in the role.

### Individual Questions

The most detailed level of the report lists all 40 questions topics, whether they were answered correctly, incorrectly or omitted, allowing selection panels to drill down to explore particular elements of accounting most important to their organisation, and their candidates performance against those questions.

## FURTHER SUPPORT

For further support in interpreting this report, visit the Accountests website

**[www.accountests.com](http://www.accountests.com)**

or send us an email to

**[help@accountests.com](mailto:help@accountests.com)**

