

ACC206

Marginal cost is equivalent to
Total variable costs

In Rowan scheme, how is bonus calculated?
 $\text{Time taken/time allowed} \times \text{time saved} \times \text{day rate}$

The process of tracking the expenses incurred on a job against the revenue produced by that job is known as;
Job costing

The three elements of cost are;
(1) material, (2) labour and (3) expenses

The uses of standard costing includes the following except
absorption of overhead cost

The functions of management are:
Planning, organizing, directing and controlling

$\text{Opening stock} + \text{closing stock} / 2 =$
Average stock

1. When direct cost is lowered, the gross margin will
Rise

2. One among these is a type of standard costing.
Current standard

4. Fixed costs are sometimes referred to as
Period costs

5. One of the advantages of breakeven analysis is that.
It shows the profit and loss at different levels of output

7. Relevant costs are costs that are
Necessary for managerial decision making

8. The method used to determine the value of finished goods is referred to as.....
Marginal costing

9. In some circumstances, variable costs are classified into
Discretionary and engineered

$10. \text{FC/SP per unit} - \text{variable cost per unit} =$
Break-even point in unit

3. The process of accounting for cost which begins with the recording of income and expenditure is?
Cost accounting

4. Those cost that have direct relationship with a unit of operation like manufacturing a product, organising a process or an activity is known as

Direct cost

9. Financial accounting has number of branches
7

10. One of these is an advantage of cost accounting to employee.
It helps by merits rating techniques which is conducted by scientific process

10/10

Basically the scope of cost accounting is divided into 3 major parts
Three

The two main types of recruitment are
Centralized and decentralized

Labour cost is the 3 contribution to production process
Human

Various organisations use different methods to time their employees, such as 3
All of the above

If stocks / inventories are too high, there would be ...
Excess capital tied up unproductive

The job and process costing methods serve as a very good way of
Assigning cost

If time budgeted for a product is 40 hours and time taken is 32 hours,
how many hours saved
8 hours

A measure of the relationship between current assets and current liabilities is equal to
Current ratio

Straight piece rate is calculated using this formula...
$$\text{No. of units produced} \times \text{rate per unit}$$

A proper system of stock / inventory control will have 3
All of the above

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Human

The two main types of recruitment are
Centralized and decentralized

Costs not subject to the influence of a given manager is
uncontrollable costs

The cost accounting feature that ensures that the costing system must adapt itself to the changing business situation is
elasticity

The following are the main functions of cost accounting except
helps in preparation of financial statement

The essentials of an ideal cost accounting system embraces all of these except?

Accountability

The measuring of the cost and value of people for an organisation is human resource accounting

One of the following is not a scope of management accounting:

Earning accounting

If stocks /inventories are too high, there would be ...

Excess capital tied up unproductive

Expressing the plans and goals of a firm is known as budgeting

The main duty of management is make decision

All costs traceable to a particular product are known as direct costs

The following are the main functions of cost accounting except helps in preparation of financial statement

Total cost is the combination of fixed cost and variable cost

The cost accounting feature that ensures that the costing system must adapt itself to the changing business situation is elasticity

The measuring of the cost and value of people for an organisation is human resource accounting

Costs not subject to the influence of a given manager is uncontrollable costs

All of the following are the advantages of cost accounting to management except assists in staff appraisal

The feature of cost accounting that ensures that the cost of operation must be less and benefit increases is economy

One of the following cost is not regarded as cost for planning and control. Explicit cost

The type of cost which depend on the output produced is called? Variable cost

Those cost that have direct relationship with a unit of operation like manufacturing a product, organising a process or an activity is known asâ€¦..

Direct cost

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Cost accounting

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The essentials of an ideal cost accounting system embraces all of these except?

Accountability

One of these is an advantage of cost accounting to employee.

It helps by merits rating techniques which is conducted by scientific process

One of the following is not true of cost and management accounting.

Cost accounting assists and evaluates the profit while management accounting merely assists the management with functioning

Cost accounting is regarded as science because:

It relates to a wide variety of subjects, office practice and procedures, data processing.

All but one is not a function of management accounting

Interim reporting

A proper system of stock / inventory control will have â€

All of the above

A unit of quantity of product, service or time in relation to which costs may be ascertained or expressed is calledâ€

A unit of cost

In system of direct costing, variable costs are sometimes referred to as Direct costs

The difference between standard and actual is called

Variance

Labour is a germane element in the productionâ€

Process

Cost accountant uses budgetary control, standard costing, etc for controlling the â€.

Cost

FC/SP per unit less variable cost per unit =

Break-even point in unit

â€ does not follow norms and rules for creating ledger

Cost accounting

Continuous stocktaking is equivalent to

None of the above

In the nature of cost accounting, cost accounting can be a ...

All of the above

Tangible material assets of an organization other than its fixed assets are referred to as

Materials / stock

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Tangible material assets of an organization other than its fixed assets are referred to as Materials / stock

The cost of searching for new or improved products, new application of materials is called Research cost

The costs which do not get affected by the decision is referred to as Irrelevant costs

An old established standard designed principally to satisfy a given objective is called Basic standard

EOQ is calculated as Square root of $2DC_o / C_c$

Piece rate method of remuneration can be examined under.. All of the above

It is usually focused on the expected costs with a view to reducing the eventual cost of production
Cost reduction

In costing, material, labour and expenses are the three elements of
Cost

Material planning and material control is known as
Stock management

The sharing of overhead costs incurred in respect of a number of cost centres to the centres is called
Overhead apportionment

Decision making costs are
Future costs

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Assigning cost

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how many hours saved
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Current ratio

Straight piece rate is calculated using this formula...
$$\text{No. of units produced} \times \text{rate per unit}$$

A proper system of stock / inventory control will have 3
All of the above

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1. The FOLLOWING ARE THE main functions of cost accounting except:
helps in preparation of financial statement

2. All but one of the following is not true of cost and management accounting
Cost accounting assists and evaluates the profit while management accounting merely assists the management with function.

3. One of the following cost is not regarded as cost for planning and control

Explicit cost

4. The following are the essentials of an ideal cost accounting system
Accountability

5. Serving as a guide to price fixing of products -----
Is a function of cost accounting

6. The type of cost which depend on the output produced is called?
Variable Costs (VC)

7. Total cost is the combination of -----
fixed cost and Variable Cost.

8. one of the following is not a FUNCTION OF MANAGEMENT ACCOUNTING
financial reporting

9. all but One of the following cost is not regarded as cost for
planning and control
Explicit cost

10. The advantages of cost accounting to employees
it helps by merit rating techniques which is conducted by scientific
process.

Cost accounting (The process of accounting for cost which begins with the
recording of income and expenditure is

Bin card (For each kind of material, a separate record

Variable cost (The kind of cost that depend on the output

provides data (One of the following is not a function of management

fixed cost and variable cost (Total cost is the combination

Cost accounting (The process of accounting for cost which

It helps by merits rating techniques which is conducted by scientific
process (One of these is an advantage of cost

Excess capital tied up unproductive (If stocks /inventories are too high,
there would be ...

Direct cost (The cost that have direct relationship with a unit of
operation like manufacturing a produc

Eukaryotes (Gene promoter structure in archea is also more

uncontrollable costs (Costs not subject to the influence of a given

fixed cost and variable cost (Total cost is the combination of

Earned income (____specifically refers to all income that emanates from a
trade, business, profession

Gross Income (The aggregate of economic benefits the taxpayer

1. The process of accounting for cost which begins with the recording of income and expenditure is?

Financial accounting

Inflation accounting

Management accounting

--->> Cost accounting

2. Cost accounting is regarded as science because:

--->> It relates to a wide variety of subjects, office practice and procedures, data processing.

It requires the ability and skills on the part of cost accountant in applying the principles

It provides information for internal decision making

It determines cost and revenue

3. Those cost that have direct relationship with a unit of operation like manufacturing a product, organising a process or an activity is known as

Actual cost

Avoidable cost

--->> Direct cost

Incremental cost

4. One of these is an advantage of cost accounting to employee.

It helps in preparing national plans

It helps in knowing solvency position of the business

--->> It helps by merits rating techniques which is conducted by scientific process

It helps in assessing excise duty, sales tax and income tax of the business

5. One of the following cost is not regarded as cost for planning and control.

Controllable cost

Standard cost

Budget

--->> Explicit cost

6. The essentials of an ideal cost accounting system embraces all of these except?

Elasticity

--->> Accountability

Simplicity

Economy

7. One of the following is not a scope of management accounting:

Inventory control

Cost accounting

--->> Earning accounting

Interpretation of data

8. All but one is not a function of management accounting

--->> Interim reporting

provides data

Modifies data

Facilitates control

9. The type of cost which depend on the output produced is called?

Fixed cost

Marginal cost

--->> Variable cost

Sunk cost

10. One of the following is not true of cost and management accounting.

Cost accounting deals with ascertainment, allocation, apportionment accounting aspect of cost while management accounting deals with the effect and impact of costs on the business.

--->> Cost accounting assists and evaluates the profit while management accounting merely assists the management with functioning

Cost accounting provides a base for management accounting whereas management accounting is derived from cost accounting and financial accounting

Cost accounting does not include financial accounting whereas management accounting includes financial and cost accounting, tax accounting and tax planning

1. Raw material worth â,|50, 000 were purchased on account. The journal entry is

--->> debit raw material 50, 000 credit account payable 50, 000
debit account payable 50, 000 credit raw material 50, 000
debit purchase 50, 000 credit raw materials 50, 000
debit raw material 50, 000 credit cash 50, 000

2. One of the following is not a class of overhead

production overhead
administrative overhead
--->> standard overhead
marketing overhead

3. Net profit after tax / dividend is the formular for

divident per share
interest cover
--->> dividend cover
proprietary ratio

4. A costing method applied where products are mass produced and follow a continous process is

job costing
mass production
uniform costing
--->> process costing

5. If total budgeted overhead is â,|50, 000; the total direct material cost isâ,|20, 000. The overhead absorbtion rate is

100% of direct material cost
40% of direct material cost
2.5% of direct material cost
--->> 250% of direct material cost

6. A cost that is already incurred and therefore unavoidable is known as

unavoidable cost
original cost

--->> sunk cost

standard cost

7. The uses of standard costing includes the following except

planning and control

--->> absorption of overhead cost

pricing decision

facilitates management by exception

8. The process of comparing standard with actual and identifying the difference is known as

standard costing

budgeting

standardization

--->> variance analysis

9. One of the following is not a method of reapportionment of overhead to cost centers

elimination method

--->> allocation method

simultaneous equation method

continuous allotment method

10. _____ is a predetermined cost established by management to guide the efficient operations of a firm

unit cost

--->> standard cost

predetermined cost

budget

1. Very low stock level can lead to the following except

--->> excess capital tied up

interruption to production

high cost of frequent recording

loss in economies of scale

2. One of the following is not a method of stock valuation

first in first out

last in first out

--->> first in last out

standard price

3. The basic salaries, overtime pay, acting allowance, etc paid to workers are known as

fringe benefits

social costs

--->> emoluments

loans and advances

4. Nelson ltd has the followin data with respect to stock levels per week. Normal usage 60 units. Maximum usage 140 units. Lead time 1-3 weeks. EOQ 300 units. Maximum stock level is

600

630

--->> 660

680

5. All except one of the following are components of conversion cost

--->> raw material

direct labour

direct expenses

production overhead

6. One of the following is not a fixed cost

rent

rate

--->> raw material

management salary

7. The record of Mr. Eze in Henry ltd shows the following : Standard output allowed: 100 units in 1 hour Actual production 2500 units in 18 hours Normal day rate â‚¬15 per hour. The total earning of Mr. Eze using Halsey method is

â‚¬52.50

â‚¬270.00

â,|300.00

--->> â,|322.50

8. One of the following is not a record used to document time a worker spent on a job.

attendance register

clock card

job sheets

--->> bin cards

9. The performance based method used in calculating workers pay is known as

input based method

fixed salary structure

time based method

--->> output based method

10. One of the following is not an advantage of continous stock taking

it improves the quality of stock taking because of the frequencies

it allows for the investigation of stock discrepancies

it detects unauthorized changes in procedure

--->> it take a lot of time