

3. The basis of changing overheads to production units can be _____.
 a) machine hours b) labour hours
 c) material or labour cost d) Any of these
4. Inventory Carrying Costs consists of _____.
 a) Cost of storage of materials b) Interest on Capital blocked
 c) Both d) inventory
5. Cost accounting is helpful for _____.
 a) Calculation of unit cost b) fixing price of products c) both
6. Cost unit can be _____.
 a) single unit of production b) Batch of production
 c) any one of these
7. Elements of costs are _____, _____ & _____.
 a) Material, Labour & Expenses
 b) Financial, non-financial & administrative expenses
8. Marginal cost equation is _____.
 a) $S + V = FP$ b) $S + V = F + P$
 c) $S - V = F + P$ d) $S = V - F - P$
9. Marginal costing is useful for _____.
 a) Cost control b) both c) Profit planning
10. Worker's time sheet can be prepared on _____.
 a) Daily basis b) weekly basis
11. Job ticket is prepared for _____.
 a) Each worker b) Each job
12. P/U ration : _____.
 i) $\frac{\text{Contribution}}{\text{Cost}} \times 100$ ii) $\frac{\text{Contribution}}{\text{Sales}} \times 100$
13. BEP is _____.
 i) $\frac{\text{Fixed Cost}}{\text{Sales}}$ ii) $\frac{\text{Actual Sales} - \text{Break --- sales}}{\text{sales}}$
 iii) $\frac{\text{Fixed Cost}}{\text{P/U ratio}}$ iv) $\frac{\text{Fixed Cost}}{\text{P/U ratio}} \times 100$

14. Margin of safety is _____.
- a) Actual sales – BE sales b) Actual sales – budgeted sales
15. Cash budget gives an estimate of
- a) Total income and expenditure b) Total receipts & payments of cash
c) None of them
16. _____ cannot be fully ---- directly to particular job.
- a) Variable cost b) Material Cost c) overhead
17. Financial accounting is done with reference to _____.
- a) Wide organization b) Individual department
18. Master Budget is _____.
- a) Summary of functional budget b) Finalized profit plan
c) Summarized budget
19. Zero based budgeting is based on _____.
- a) Conventional approach b) Detrimental approach
c) Futuristic approach d) Incremental approach
20. Production budget is _____.
- a) Forecast of total sales b) Forecast of total production units
c) Forecast of total cost.