



# ST. LAWRENCE HIGH SCHOOL

*A Jesuit Christian Minority Institution*



## Answer Key 12

**Sub: Costing & Taxation**

**Class: XI**

**Chapter: Unit 2B: Preparation of Cost Sheet**

**F.M.: 15**

**Topic: Introduction & Concept**

**Date: 30/06/2020**

**Choose the correct alternatives:**

**1 x 15 =15**

1. Cost of production is determined of  
(a) manufacturing unit; (b) service unit; **(c) both manufacturing and service unit;** (d) none of these.
2. To find out total cost of production a/an  
**(a) statement is prepared;** (b) account is prepared; (c) both statement & account are prepared; (d) none of these.
3. Cost sheet is prepared on the basis of  
(a) current information; **(b) accumulated information;** (c) no information; (d) none of these.
4. Cost sheet is known as  
(a) statement of profit & loss; **(b) statement of cost;** (c) statement of sales; (d) none of these.
5. In cost sheet  
(a) direct expenses are considered; (b) indirect expenses are considered; **(c) both direct and indirect expenses are considered;** (d) none of these.
6. Cost sheet is prepared for  
(a) indefinite period; (b) a year; **(c) a particular period;** (d) none of these.
7. Prime cost means  
(a) sum of materials and labour; (b) material cost; **(c) sum of materials, labour and chargeable expenses;** (d) none of these.
8. Cost sheet is prepared for  
(a) ascertaining cost; (b) determining cost; (c) computing cost; **(d) all of these.**
9. Selling price can be determined by  
(a) cost account; (b) cost proforma; **(c) cost sheet;** (d) none of these.
10. Control means  
(a) to force others; **(b) to compare actual performance with planned performance;** (c) to remove; (d) none of these.
11. Cost control can  
(a) increase cost; **(b) reduce cost;** (c) remove cost; (d) none of these.
12. Price quotation is applied to  
(a) present customer; **(b) future customer;** (c) past customer; (d) none of these.
13. Budget means  
**(a) constraint of expenses;** (b) no constraint of expenses; (c) expenses; (d) none of these.
14. Budget is the term which is used for the  
(a) present; (b) past; **(c) future;** (d) none of these.
15. Factory cost is determined in  
(a) statement of profit & loss; **(b) statement of cost;** (c) statement of sales; (d) none of these.

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