



ST. LAWRENCE HIGH SCHOOL

A Jesuit Christian Minority Institution



Answer Key 5

Class: XI

Sub: Costing & Taxation

Chapter: Unit I: Introduction

F.M.: 15

Topic: Limitations of Cost Accounting

Date: 19/06/2020

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1. Decision making decision is based on
(a) future data; (b) present data; **(c) past data**; (d) none of these.
 2. Change of capacity may give
(a) accurate result; **(b) misleading result**; (c) same result; (d) none of these.
 3. Installation of Cost Accounting is
(a) less expensive; **(b) expensive**; (c) moderately expensive; (d) none of these.
 4. Cost apportionment means
(a) allocation of cost; (b) distribution of cost; (c) spreading of cost to different units; **(d) all of these**.
 5. Estimation on the basis of past data may be
(a) realistic; **(b) unrealistic**; (c) unfortunate; (d) fortunate.
 6. Change of capacity means
(a) increase in capacity; (b) decrease in capacity; (c) increase in productivity; **(d) all of these**.
 7. Cost classification is a
(a) simple procedure; **(b) complex procedure**; (c) compound procedure; (d) none of these.
 8. Inclusion of Cost Accounting in the business activities can increase
(a) financial burden; (b) cost burden; (c) non-financial burden; (d) none of these.
 9. Cost Accounting has
(a) no alternative; (b) only one alternative; **(c) presence of alternatives**; (d) none of these.
 10. Wrong information can
(a) properly lead the organisation; **(b) improperly lead the organisation**; (c) no effect on leading the organisation; (d) none of these.
 11. LIFO stands for
(a) Last in Frequent Out; **(b) Last in First Out**; (c) Latest in First Out; (d) none of these.
 12. Cost Accounting brings
(a) clear picture of the future; (b) transparent picture of the future; **(c) estimated picture of the future**; (d) none of these.
 13. In decision making management often influenced by
(a) external forces; (b) foreign forces; (c) militant forces; (d) none of these.
 14. In certain cases management
(a) ceases to take decision; **(b) fails to make decisions**; (c) does not take decision; (d) none of these.
 15. Materials can be issued under
(a) FIFO; (b) LIFO; (c) Simple Average Method; **(d) all of these**.

Compiled by
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