



ST. LAWRENCE HIGH SCHOOL

A Jesuit Christian Minority Institution



Answer Key 10

Sub: Costing & Taxation

Class: XI

Chapter: Unit 2A: Classification of Cost

F.M.: 15

Topic: Function Based Classification

Date: 27/06/2020

Choose the correct alternatives:

1 x 15 =15

1. Factory cost is also known as
(a) manufacturing cost; (b) production cost; (c) works cost; **(d) all of these.**
2. Factory rent is under
(a) works cost; (b) administrative cost; (c) selling cost; (d) none of these.
3. Depreciation on plant and machinery comes under
(a) works cost; (b) administrative cost; (c) selling cost; (d) none of these.
4. Factory cost includes
(a) salary to administrative staffs; (b) depreciation on delivery van; (c) advertisement; **(d) none of these.**
5. Overhead expenses relating to factory comes under
(a) works cost; (b) administrative cost; (c) selling cost; (d) none of these.
6. Administrative costs are of
(a) direct nature; **(b) indirect nature;** (c) productive nature; (d) none of these.
7. Advertisement comes under
(a) works cost; (b) administrative cost; **(c) selling cost;** (d) none of these.
8. Promoting sales means
(a) increasing sales; (b) decreasing sales; (c) not related to sales; (d) none of these.
9. Carriage outward is related to
(a) distribution cost; (b) administrative cost; (c) selling cost; (d) none of these.
10. Research and Development includes
(a) capital cost; (b) revenue cost; **(c) both capital and revenue costs;** (d) none of these.
11. Administrative cost includes
(a) depreciation; (b) warehouse rent; (c) delivery expenses; (d) none of these.
12. Cost of discovery of new idea is under
(a) works cost; (b) administrative cost; (c) selling cost; **(d) none of these.**
13. Capital cost means
(a) operating cost; **(b) asset cost;** (c) liability cost; (d) none of these.
14. Revenue cost means
(a) operating cost; (b) asset cost; (c) liability cost; (d) none of these.
15. Rent of showroom is under
(a) works cost; (b) administrative cost; **(c) selling cost;** (d) none of these.

Compiled by
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