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Session Tools


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 Question Properties

Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 1

The sum of the costs necessary to effect a one-unit increase in the activity level is a(n)

A. Differential cost.

B. Marginal cost.

C. Opportunity cost.

D. Incremental cost.

A

B

C

D

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Mark For Review

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Elapsed Time: 01:30

Questions:

1 (4.2.45)

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3 (4.4.113)

4 (4.2.61)

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
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Question Properties

Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques

Question: 2

Which one of the following is **least** likely to be a reason to adopt a standard cost system?

A. Setting standards at an ideal level can motivate employees.

B. Costs of using standard costing are low relative to costs of using actual costing.

C. A standard cost system identifies what the level of costs should be and who should be responsible for the costs.

D. Utilizing standard costs tends to simplify recordkeeping.

A

B

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Mark For Review

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Elapsed Time: 01:32

Questions:

1 (4.2.45)

2 (4.4.121)

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Question Properties

Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques

Question: 3

A difference between standard costs used for cost control and budgeted costs

A. Cannot exist because they should be the same amounts.

B. Can exist because budgeted costs are historical costs, whereas standard costs are based on engineering studies.

C. Can exist because standard costs represent what costs should be, whereas budgeted costs represent expected actual costs.

D. Can exist because standard costs must be determined after the budget is completed.

A

B

C

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Elapsed Time: 01:33

Questions:

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Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

**Fact Pattern:** Jackson Co. has the following information for the first 4 months of this year:

	Machine Hours	Cleaning Expense
January	2,100	\$ 900
February	2,600	1,200
March	1,600	800
April	2,000	1,000

Question: 4      Using the high-low method, what is Jackson's variable cost of cleaning per machine hour?

A. \$2.00

B. \$.48

C. \$2.50


D. \$.40

A

B

C

D

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Elapsed Time: 01:34

Questions:

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
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Question Properties

Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques

Question: 5

Contribution margin focuses on which one of the following?

A. The total revenue expected during the year.

B. The total variable manufacturing costs.

C. How competitive a company is compared to other companies.

D. The amount of revenue available to cover fixed costs.

A

B

C

D

Mark For Review

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Elapsed Time: 01:36

Questions:

1 (4.2.45)

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**5 (4.4.127)**

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### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 6 A corporation has the following information for the first quarter of its year:

	Machine Hours	Cleaning Expense
January	2,100	\$ 900
February	2,600	1,200
March	1,600	800
April	2,000	1,000

Using the high-low method, what is the corporation's fixed cost?

- A. \$640
- B. \$320
- C. \$160
- D. \$1,040

A

B

C

D



Mark For Review



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Elapsed Time: 01:37

## Questions:

- 1 (4.2.45)
- 2 (4.4.121)
- 3 (4.4.113)
- 4 (4.2.61)
- 5 (4.4.127)
- 6 (4.2.43)**
- 7 (4.2.41)
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### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

**Fact Pattern:** A company wants to determine its marketing costs for budgeting purposes. Activity measures and costs incurred for 4 months of the current year are presented in the table below. Advertising is considered to be a discretionary cost. Salespersons are paid monthly salaries plus commissions. The sales force was increased from 20 to 21 individuals during the month of May.

	March	April	May	June
Activity measures:				
Sales orders	2,000	1,800	2,400	2,300
Units sold	55,000	60,000	70,000	65,000
Dollar sales	\$1,150,000	\$1,200,000	\$1,330,000	\$1,275,000
Marketing costs:				
Advertising	\$ 190,000	\$ 200,000	\$ 190,000	\$ 190,000
Sales salaries	20,000	20,000	21,000	21,000
Commissions	23,000	24,000	26,600	25,500
Shipping costs	93,000	100,000	114,000	107,000
Total costs	<u>\$ 326,000</u>	<u>\$ 344,000</u>	<u>\$ 351,600</u>	<u>\$ 343,500</u>

Question: 7 In relation to the dollar amount of sales, which of the following cost classifications is appropriate for advertising and sales salaries costs?

- |    | <u>Advertising</u> | <u>Sales Salaries</u> |
|----|--------------------|-----------------------|
| A. | Fixed cost         | Fixed cost            |
| B. | Variable cost      | Fixed cost            |
| C. | Mixed cost         | Mixed cost            |
| D. | Fixed cost         | Variable cost         |

## Questions:

- 1 (4.2.45)
- 2 (4.4.121)
- 3 (4.4.113)
- 4 (4.2.61)
- 5 (4.4.127)
- 6 (4.2.43)
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Study Unit 4: Cost Management Concepts | Subunit 3: Cost Classification

**Fact Pattern:** Gleason Co. has two products, a frozen dessert and ready-to-bake breakfast rolls, ready for introduction. However, plant capacity is limited, and only one product can be introduced at present. Therefore, Gleason has conducted a market study at a cost of \$26,000, to determine which product will be more profitable. The results of the study follow.

Sales of Desserts at \$1.80/unit		Sales of Rolls at \$1.20/unit	
Volume	Probability	Volume	Probability
250,000	.30	200,000	.20
300,000	.40	250,000	.50
350,000	.20	300,000	.20
400,000	.10	350,000	.10

The costs associated with the two products have been estimated by Gleason's cost accounting department and are as follows:

	Dessert	Rolls
Ingredients per unit	\$ .40	\$ .25
Direct labor per unit	.35	.30
Variable overhead per unit	.40	.20
Production tooling*	48,000	25,000
Advertising	30,000	20,000

\*Gleason treats production tooling as a current operating expense rather than capitalizing it as a fixed asset.

Question: 8 The advertising expense estimated by Gleason for the introduction of the new products is an example of a(n)

- A. Conversion cost.
- B. Committed cost.
- C. Discretionary cost.
- D. Opportunity cost.

- 5 (4.4.127)
- 6 (4.2.43)
- 7 (4.2.41)
- 8 (4.3.100)
- 9 (4.2.36)
- 10 (4.1.30)
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### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 9 Which of the following is the **best** example of a variable cost?

- A. The corporate president's salary.
- B. Cost of raw material.
- C. Interest charges.
- D. Property taxes.

A

B

C

D



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Elapsed Time: 02:00

## Questions:

- 1 (4.2.45)
- 2 (4.4.121)
- 3 (4.4.113)
- 4 (4.2.61)
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- 9 (4.2.36)**
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### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 10 Which one of the following items would not be considered a manufacturing cost?

- A. Tires for an automobile manufacturer.
- B. Sales commissions for a car manufacturer.
- C. Plant property taxes for an ice cream maker.
- D. Cream for an ice cream maker.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:01

## Questions:

- 1 (4.2.45)
- 2 (4.4.121)
- 3 (4.4.113)
- 4 (4.2.61)
- 5 (4.4.127)
- 6 (4.2.43)
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### Study Unit 4: Cost Management Concepts | Subunit 3: Cost Classification

Question: 11 Committed costs are costs that

- A. Establish the current level of operating capacity and cannot be altered in the short run.
- B. Result from a clear measurable relationship between inputs and outputs.
- C. Management decides to incur in the current period that do not have a clear cause and effect relationship between inputs and outputs.
- D. Were capitalized and amortized in prior periods.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:03

## Questions:

- 1 (4.2.45)
- 2 (4.4.121)
- 3 (4.4.113)
- 4 (4.2.61)
- 5 (4.4.127)
- 6 (4.2.43)
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#### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 12 Which one of the following is correct regarding a relevant range?

- A. Total fixed costs will not change.
- B. Total variable costs will not change.
- C. The relevant range cannot be changed after being established.
- D. Actual fixed costs usually fall outside the relevant range.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:04

#### Questions:

- 1 (4.2.45)
- 2 (4.4.121)
- 3 (4.4.113)
- 4 (4.2.61)
- 5 (4.4.127)
- 6 (4.2.43)
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**Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range**

Question: 13    Production levels are expected to increase within the relevant range. What are the anticipated effects on the following?

	Fixed Costs per Unit	Variable Costs per Unit
A.	Increase	Increase
B.	Increase	No change
C.	Decrease	Decrease
D.	Decrease	No change

A

B

C

D

Mark For Review

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Elapsed Time: 02:05

Questions:

- (4.2.45)
- (4.4.121)
- (4.4.113)
- (4.2.61)
- (4.4.127)
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## Session Tools



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Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques

Question: 14 In target costing,

- A. Raw materials are recorded directly to cost of goods sold.
- B. Only raw materials cannot exceed a threshold target.
- C. The market price of the product is taken as a given.
- D. Only raw materials, labor, and variable overhead cannot exceed a threshold target.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:07

## Questions:

- 1 (4.2.45)
- 2 (4.4.121)
- 3 (4.4.113)
- 4 (4.2.61)
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Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 15 The allocation of costs to particular cost objects allows a firm to analyze all of the following **except**

- A. Why the sales of a particular product have increased.
- B. Why a particular product should be purchased rather than manufactured in-house.
- C. Whether a product line should be discontinued.
- D. Whether a particular department should be expanded.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:08

## Questions:

- 1 (4.2.45)
- 2 (4.4.121)
- 3 (4.4.113)
- 4 (4.2.61)
- 5 (4.4.127)
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Time Value Tables



Question Properties

#### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 16 Production costs for July are

Direct materials	\$120,000
Direct labor	108,000
Factory overhead	6,000

What is the amount of costs traceable to specific products?

- A. \$108,000
- B. \$234,000
- C. \$228,000
- D. \$120,000

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:09

#### Questions:

- 1 (4.2.45)
- 2 (4.4.121)
- 3 (4.4.113)
- 4 (4.2.61)
- 5 (4.4.127)
- 6 (4.2.43)
- 7 (4.2.41)
- 8 (4.3.100)
- 9 (4.2.36)
- 10 (4.1.30)
- 11 (4.3.87)
- 12 (4.2.37)
- 13 (4.2.51)
- 14 (4.4.105)
- 15 (4.1.19)
- 16 (4.1.13)
- 17 (4.2.68)
- 18 (4.4.108)
- 19 (4.1.31)
- 20 (4.1.22)
- 21 (4.1.5)
- 22 (4.2.58)

Hide

#### Question Filters



Unanswered



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- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked

## Session Tools



Grade



Discard  
Session



Pause



Calculator



Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 17 Over the past several years, an entity has experienced the following regarding shipping expenses:

Fixed costs	\$16,000
Average shipment	15 pounds
Cost per pound	\$5.00

Shown below are the budget data for the coming year.

Number of units shipped	8,000
Number of sales orders	800
Number of shipments	800
Total sales	\$1,200,000
Total pounds shipped	9,600

Expected shipping costs for the coming year are

- A. \$20,000
- B. \$16,000
- C. \$4,800
- D. \$20,800

## Questions:

- 1 (4.2.45)
- 2 (4.4.121)
- 3 (4.4.113)
- 4 (4.2.61)
- 5 (4.4.127)
- 6 (4.2.43)
- 7 (4.2.41)
- 8 (4.3.100)
- 9 (4.2.36)
- 10 (4.1.30)
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- 15 (4.1.19)
- 16 (4.1.13)
- 17 (4.2.68)**
- 18 (4.4.108)
- 19 (4.1.31)
- 20 (4.1.22)
- 21 (4.1.5)
- 22 (4.2.58)

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## Question Filters



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## Session Tools



Grade



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Calculator



Time Value Tables



Question Properties

### Fact Pattern:

Huron Industries has recently developed two new products, a cleaning unit for video discs and a disc duplicator for reproducing movies taken with a video camera. However, Huron has only enough plant capacity to introduce one of these products during the current year. The company controller has gathered the following data to assist management in deciding which product should be selected for production.

Huron's fixed overhead includes rent and utilities, equipment depreciation, and supervisory salaries. Selling and administrative expenses are not allocated to products.

	Disc Duplicator	Cleaning Unit
Raw materials	\$ 44.00	\$ 36.00
Machining at \$12 per hr.	18.00	15.00
Assembly at \$10 per hr.	30.00	10.00
Variable overhead at \$8 per hr.	36.00	18.00
Fixed overhead at \$4 per hr.	18.00	9.00
Total cost	\$ 146.00	\$ 88.00
Suggested selling price	\$ 169.95	\$ 99.98
Actual research and development costs	\$240,000	\$175,000
Proposed advertising and promotion costs	\$500,000	\$350,000

Question: 18 The difference between the \$99.98 suggested selling price for Huron's video disc cleaning unit and its total unit cost of \$88.00 represents the unit's

- A. Contribution.
- B. Gross profit.
- C. Gross profit margin ratio.
- D. Contribution margin ratio.

### Questions:

- 1 (4.2.45)
- 2 (4.4.121)
- 3 (4.4.113)
- 4 (4.2.61)
- 5 (4.4.127)
- 6 (4.2.43)
- 7 (4.2.41)
- 8 (4.3.100)
- 9 (4.2.36)
- 10 (4.1.30)
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- 14 (4.4.105)
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- 17 (4.2.68)
- 18 (4.4.108)
- 19 (4.1.31)
- 20 (4.1.22)
- 21 (4.1.5)
- 22 (4.2.58)

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### Question Filters



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## Session Tools



Grade



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Session



Pause



Calculator



Time Value Tables



Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 19

A painting contractor maintains a job-order cost system. Job costs are accumulated by tracking the actual cost of paint and other materials used on each job, as well as the actual cost of wages earned by the painters on each job. In addition, overhead is applied to each job by using a predetermined rate based on the actual painters' wages. A painter earned \$168 today by working on Job 08-45. In computing prime cost and conversion cost for Job 08-45, how would the wages earned today by the painter be classified?

- A. As a component of both prime and conversion cost.
- B. As a component of neither prime cost nor conversion cost.
- C. As a component of prime cost but not as a component of conversion cost.
- D. As a component of conversion cost but not as a component of prime cost.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:15

## Questions:

- 1 (4.2.45)
- 2 (4.4.121)
- 3 (4.4.113)
- 4 (4.2.61)
- 5 (4.4.127)
- 6 (4.2.43)
- 7 (4.2.41)
- 8 (4.3.100)
- 9 (4.2.36)
- 10 (4.1.30)
- 11 (4.3.87)
- 12 (4.2.37)
- 13 (4.2.51)
- 14 (4.4.105)
- 15 (4.1.19)
- 16 (4.1.13)
- 17 (4.2.68)
- 18 (4.4.108)
- 19 (4.1.31)
- 20 (4.1.22)
- 21 (4.1.5)
- 22 (4.2.58)

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## Question Filters



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- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked

## Session Tools



Grade



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Session



Pause



Calculator



Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 20 A cost incurred for the benefit of more than one cost objective is

- A. A variable cost.
- B. A prime cost.
- C. A common cost.
- D. A conversion cost.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:16

## Questions:

- 1 (4.2.45)
- 2 (4.4.121)
- 3 (4.4.113)
- 4 (4.2.61)
- 5 (4.4.127)
- 6 (4.2.43)
- 7 (4.2.41)
- 8 (4.3.100)
- 9 (4.2.36)
- 10 (4.1.30)
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- 16 (4.1.13)
- 17 (4.2.68)
- 18 (4.4.108)
- 19 (4.1.31)
- 20 (4.1.22)
- 21 (4.1.5)
- 22 (4.2.58)

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## Question Filters



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- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked



## Session Tools



Grade



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Session



Pause



Calculator



Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 21 In cost terminology, conversion costs consist of

- A. Direct labor and factory overhead.
- B. Direct labor and direct materials.
- C. Direct and indirect labor.
- D. Indirect labor and variable factory overhead.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:17

## Questions:

- 1 (4.2.45)
- 2 (4.4.121)
- 3 (4.4.113)
- 4 (4.2.61)
- 5 (4.4.127)
- 6 (4.2.43)
- 7 (4.2.41)
- 8 (4.3.100)
- 9 (4.2.36)
- 10 (4.1.30)
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- 16 (4.1.13)
- 17 (4.2.68)
- 18 (4.4.108)
- 19 (4.1.31)
- 20 (4.1.22)
- 21 (4.1.5)**
- 22 (4.2.58)

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## Question Filters



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- 0 Correct First Try
- 0 Currently Correct
- 0 Incorrect
- 0 Marked

### Session Tools



Grade



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Pause



Calculator



Time Value Tables



Question Properties

Session

Tools

#### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 22 When identifying fixed and variable costs, which one of the following is a typical assumption concerning cost behavior?

- A. The relevant time period is assumed to be 5 years.
- B. Cost behavior is assumed to be realistic for all levels of activity from zero to maximum capacity.
- C. General and administrative costs are assumed to be variable costs.
- D. Total costs are assumed to be linear when plotted on a graph.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:19

#### Questions:

- 1 (4.2.45)
- 2 (4.4.121)
- 3 (4.4.113)
- 4 (4.2.61)
- 5 (4.4.127)
- 6 (4.2.43)
- 7 (4.2.41)
- 8 (4.3.100)
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- 10 (4.1.30)
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- 17 (4.2.68)
- 18 (4.4.108)
- 19 (4.1.31)
- 20 (4.1.22)
- 21 (4.1.5)
- 22 (4.2.58)

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#### Question Filters



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- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked

### Session Tools



Grade



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Session



Pause



Calculator



Time Value Tables



Question Properties

Tools

#### Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques

Question: 23 Which one of the following is **least** likely to be involved in establishing standard costs for evaluation purposes?

- A. Industrial engineers.
- B. Budgetary accountants.
- C. Quality control personnel.
- D. Top management.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:20

#### Questions:

- 2 (4.4.121)
- 3 (4.4.113)
- 4 (4.2.61)
- 5 (4.4.127)
- 6 (4.2.43)
- 7 (4.2.41)
- 8 (4.3.100)
- 9 (4.2.36)
- 10 (4.1.30)
- 11 (4.3.87)
- 12 (4.2.37)
- 13 (4.2.51)
- 14 (4.4.105)
- 15 (4.1.19)
- 16 (4.1.13)
- 17 (4.2.68)
- 18 (4.4.108)
- 19 (4.1.31)
- 20 (4.1.22)
- 21 (4.1.5)
- 22 (4.2.58)
- 23 (4.4.104)

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#### Question Filters



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- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked

## Tools

## Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques

Question: 24 Consider the following situation for a company for the prior year.

- The company produced 1,000 units and sold 900 units, both as budgeted.
- There were no beginning or ending work-in-process inventories and no beginning finished goods inventory.
- Budgeted and actual fixed costs were equal, all variable manufacturing costs are affected by volume of production only, and all variable selling costs are affected by sales volume only.
- Budgeted per unit revenues and costs were as follows:

	Per Unit
Sales price	\$100
Direct materials	30
Direct labor	20
Variable manufacturing costs	10
Fixed manufacturing costs	5
Variable selling costs	12
Fixed selling costs (\$3,600 total)	4
Fixed administrative costs (\$1,800 total)	2

Assuming that the company uses variable costing, the operating income for the prior year was

- A. \$14,200  
B. \$14,800  
C. \$15,300  
D. \$13,600

6 (4.2.43)  
7 (4.2.41)  
8 (4.3.100)  
9 (4.2.36)  
10 (4.1.30)  
11 (4.3.87)  
12 (4.2.37)  
13 (4.2.51)  
14 (4.4.105)  
15 (4.1.19)  
16 (4.1.13)  
17 (4.2.68)  
18 (4.4.108)  
19 (4.1.31)  
20 (4.1.22)  
21 (4.1.5)  
22 (4.2.58)  
23 (4.4.104)  
24 (4.4.123)

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## Question Filters



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## Session Tools



Grade



Discard



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Calculator



Time Value Tables



Question Properties

### Fact Pattern:

Huron Industries has recently developed two new products, a cleaning unit for video discs and a disc duplicator for reproducing movies taken with a video camera. However, Huron has only enough plant capacity to introduce one of these products during the current year. The company controller has gathered the following data to assist management in deciding which product should be selected for production.

Huron's fixed overhead includes rent and utilities, equipment depreciation, and supervisory salaries. Selling and administrative expenses are not allocated to products.

	Disc Duplicator	Cleaning Unit
Raw materials	\$ 44.00	\$ 36.00
Machining at \$12 per hr.	18.00	15.00
Assembly at \$10 per hr.	30.00	10.00
Variable overhead at \$8 per hr.	36.00	18.00
Fixed overhead at \$4 per hr.	18.00	9.00
Total cost	\$ 146.00	\$ 88.00
Suggested selling price	\$ 169.95	\$ 99.98
Actual research and development costs	\$240,000	\$175,000
Proposed advertising and promotion costs	\$500,000	\$350,000

Question: 25 The costs included in Huron's fixed overhead are

- A. Committed costs.
- B. Opportunity costs.
- C. Prime costs.
- D. Joint costs.

### Questions:

- 4 (4.2.61)
- 5 (4.4.127)
- 6 (4.2.43)
- 7 (4.2.41)
- 8 (4.3.100)
- 9 (4.2.36)
- 10 (4.1.30)
- 11 (4.3.87)
- 12 (4.2.37)
- 13 (4.2.51)
- 14 (4.4.105)
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- 17 (4.2.68)
- 18 (4.4.108)
- 19 (4.1.31)
- 20 (4.1.22)
- 21 (4.1.5)
- 22 (4.2.58)
- 23 (4.4.104)
- 24 (4.4.123)
- 25 (4.3.93)

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### Question Filters



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**Question: 26** A company is attempting to determine if there is a cause-and-effect relationship between scrap value and output produced. The following exhibit presents the company's scrap data for the last fiscal year:

Question: 26

Scrap as a Percent of Standard Dollar  
Value of Output Produced

Month	Standard Dollar Value of Output	Percent Scrap (%)
Nov Year 7	\$1,500,000	4.5
Dec Year 7	\$1,650,000	2.5
Jan Year 8	\$1,600,000	3.0
Feb Year 8	\$1,550,000	2.5
Mar Year 8	\$1,650,000	1.5
Apr Year 8	\$1,500,000	4.0
May Year 8	\$1,400,000	2.5
Jun Year 8	\$1,300,000	3.5
Jul Year 8	\$1,650,000	5.5
Aug Year 8	\$1,000,000	4.5
Sep Year 8	\$1,400,000	3.5
Oct Year 8	\$1,600,000	2.5

The company's scrap value in relation to the standard dollar value of output produced appears to be

- A. Unrelated to the standard dollar value of output.
- B. A semi-fixed cost.
- C. A fixed cost.
- D. A variable cost.

8	(4.3.100)
9	(4.2.36)
10	(4.1.30)
11	(4.3.87)
12	(4.2.37)
13	(4.2.51)
14	(4.4.105)
15	(4.1.19)
16	(4.1.13)
17	(4.2.68)
18	(4.4.108)
19	(4.1.31)
20	(4.1.22)
21	(4.1.5)
22	(4.2.58)
23	(4.4.104)
24	(4.4.123)
25	(4.3.93)
26	(4.3.101)

## Question Filters

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### Session Tools



Grade



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Calculator



Time Value Tables



Question Properties

Tools

#### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 27 A company pays each member of its sales staff a salary as well as a commission on each unit sold. For the coming year, the company plans to increase all salaries by 5% and to keep unchanged the commission paid on each unit sold. Because of increased demand, the company expects the volume of sales to increase by 10%. How will the total cost of sales salaries and commissions change for the coming year?

- A. Increase by 10%.
- B. Increase by more than 10%.
- C. Increase by more than 5% but less than 10%.
- D. Increase by 5% or less.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:36

#### Questions:

- 6 (4.2.43)
- 7 (4.2.41)
- 8 (4.3.100)
- 9 (4.2.36)
- 10 (4.1.30)
- 11 (4.3.87)
- 12 (4.2.37)
- 13 (4.2.51)
- 14 (4.4.105)
- 15 (4.1.19)
- 16 (4.1.13)
- 17 (4.2.68)
- 18 (4.4.108)
- 19 (4.1.31)
- 20 (4.1.22)
- 21 (4.1.5)
- 22 (4.2.58)
- 23 (4.4.104)
- 24 (4.4.123)
- 25 (4.3.93)
- 26 (4.3.101)
- 27 (4.2.49)

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#### Question Filters



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- 0 Correct First Try
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## Session Tools



Grade



Discard  
Session



Pause



Calculator



Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 3: Cost Classification

#### Fact Pattern:

Huron Industries has recently developed two new products, a cleaning unit for video discs and a disc duplicator for reproducing movies taken with a video camera. However, Huron has only enough plant capacity to introduce one of these products during the current year. The company controller has gathered the following data to assist management in deciding which product should be selected for production.

Huron's fixed overhead includes rent and utilities, equipment depreciation, and supervisory salaries. Selling and administrative expenses are not allocated to products.

	Disc Duplicator	Cleaning Unit
Raw materials	\$ 44.00	\$ 36.00
Machining at \$12 per hr.	18.00	15.00
Assembly at \$10 per hr.	30.00	10.00
Variable overhead at \$8 per hr.	36.00	18.00
Fixed overhead at \$4 per hr.	18.00	9.00
Total cost	\$ 146.00	\$ 88.00
Suggested selling price	\$ 169.95	\$ 99.98
Actual research and development costs	\$240,000	\$175,000
Proposed advertising and promotion costs	\$500,000	\$350,000

Question: 28 For Huron's disc duplicator, the unit costs for raw materials, machining, and assembly represent

- A. Prime costs.
- B. Committed costs.
- C. Conversion costs.
- D. Separable costs.

#### Questions:

- 7 (4.2.41)
- 8 (4.3.100)
- 9 (4.2.36)
- 10 (4.1.30)
- 11 (4.3.87)
- 12 (4.2.37)
- 13 (4.2.51)
- 14 (4.4.105)
- 15 (4.1.19)
- 16 (4.1.13)
- 17 (4.2.68)
- 18 (4.4.108)
- 19 (4.1.31)
- 20 (4.1.22)
- 21 (4.1.5)
- 22 (4.2.58)
- 23 (4.4.104)
- 24 (4.4.123)
- 25 (4.3.93)
- 26 (4.3.101)
- 27 (4.2.49)
- 28 (4.3.89)

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#### Question Filters



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**Session Tools**

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Calculator
 Time Value Tables
 Question Properties

**Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range**

Question: 29    An entity has the following cost components for 100,000 units of product for the year:

Direct materials	\$200,000
Direct labor	100,000
Manufacturing overhead	200,000
Selling and administrative expense	150,000

All costs are variable except for \$100,000 of manufacturing overhead and \$100,000 of selling and administrative expenses. The total costs to produce and sell 110,000 units for the year are

A. \$695,000

B. \$715,000

C. \$650,000

D. \$540,000

Hide

**Questions:**

- 8 (4.3.100)
- 9 (4.2.36)
- 10 (4.1.30)
- 11 (4.3.87)
- 12 (4.2.37)
- 13 (4.2.51)
- 14 (4.4.105)
- 15 (4.1.19)
- 16 (4.1.13)
- 17 (4.2.68)
- 18 (4.4.108)
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- 20 (4.1.22)
- 21 (4.1.5)
- 22 (4.2.58)
- 23 (4.4.104)
- 24 (4.4.123)
- 25 (4.3.93)
- 26 (4.3.101)
- 27 (4.2.49)
- 28 (4.3.89)
- 29 (4.2.39)**

**Question Filters**

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- 0 Marked

A

B

C

D

**Mark For Review**

Previous

Next

Elapsed Time: 02:41

## Session Tools



Grade



Discard  
Session



Pause



Calculator



Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 30

A manufacturing company estimates semi-variable costs by using the high-low method with machine hours as the cost driver. Recent data are shown below.

Period	Semi-Variable Costs	Machine Hours
1	€ 100,000	22,000
2	120,000	30,000
3	96,000	23,600

If 29,000 machine hours were budgeted for the next period, estimated semi-variable costs would total

- A. €117,000
- B. €116,250
- C. €121,220
- D. €117,500

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:42

## Questions:

- 9 (4.2.36)
- 10 (4.1.30)
- 11 (4.3.87)
- 12 (4.2.37)
- 13 (4.2.51)
- 14 (4.4.105)
- 15 (4.1.19)
- 16 (4.1.13)
- 17 (4.2.68)
- 18 (4.4.108)
- 19 (4.1.31)
- 20 (4.1.22)
- 21 (4.1.5)
- 22 (4.2.58)
- 23 (4.4.104)
- 24 (4.4.123)
- 25 (4.3.93)
- 26 (4.3.101)
- 27 (4.2.49)
- 28 (4.3.89)
- 29 (4.2.39)
- 30 (4.2.69)

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## Question Filters



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- 0 Correct First Try
- 0 Currently Correct
- 0 Incorrect
- 0 Marked

## Session Tools



Grade



Discard



Pause



Calculator



Time Value Tables



Question Properties

Session

Tools

### Study Unit 4: Cost Management Concepts | Subunit 3: Cost Classification

Question: 31 When compared with normal spoilage, abnormal spoilage

- A. Is generally thought to be more controllable by production management than normal spoilage.
- B. Arises more frequently from factors that are inherent in the manufacturing process.
- C. Is not typically influenced by the "tightness" of production standards.
- D. Is given the same accounting treatment as normal spoilage.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:43

## Questions:

- 10 (4.1.30)
- 11 (4.3.87)
- 12 (4.2.37)
- 13 (4.2.51)
- 14 (4.4.105)
- 15 (4.1.19)
- 16 (4.1.13)
- 17 (4.2.68)
- 18 (4.4.108)
- 19 (4.1.31)
- 20 (4.1.22)
- 21 (4.1.5)
- 22 (4.2.58)
- 23 (4.4.104)
- 24 (4.4.123)
- 25 (4.3.93)
- 26 (4.3.101)
- 27 (4.2.49)
- 28 (4.3.89)
- 29 (4.2.39)
- 30 (4.2.69)
- 31 (4.3.84)

Hide

## Question Filters



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## Session Tools



Grade



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Pause



Calculator



Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 3: Cost Classification

Question: 32 A firm calculates that its annual cost to hold excess goods in order to avoid any chance of running out of inventory is \$50,000. This \$50,000 is an example of a

- A. Stockout cost.
- B. Carrying cost.
- C. Quality cost.
- D. Prime cost.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:45

## Questions:

- 11 (4.3.87)
- 12 (4.2.37)
- 13 (4.2.51)
- 14 (4.4.105)
- 15 (4.1.19)
- 16 (4.1.13)
- 17 (4.2.68)
- 18 (4.4.108)
- 19 (4.1.31)
- 20 (4.1.22)
- 21 (4.1.5)
- 22 (4.2.58)
- 23 (4.4.104)
- 24 (4.4.123)
- 25 (4.3.93)
- 26 (4.3.101)
- 27 (4.2.49)
- 28 (4.3.89)
- 29 (4.2.39)
- 30 (4.2.69)
- 31 (4.3.84)
- 32 (4.3.102)

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## Question Filters



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## Session Tools



Grade



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Time Value Tables



Question Properties

Session

Tools

### Study Unit 4: Cost Management Concepts | Subunit 3: Cost Classification

Question: 33 A controllable expense

- A. Is one that is directly influenced at a given level of managerial authority within a given time period.
- B. Is an expense whose actual amount will not normally differ from the standard (budget) amount.
- C. Is an expected future expense that will be different under various alternatives.
- D. Is an expense that will remain semivariable in total over the relevant range in a given time period.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:46

## Questions:

- 12 (4.2.37)
- 13 (4.2.51)
- 14 (4.4.105)
- 15 (4.1.19)
- 16 (4.1.13)
- 17 (4.2.68)
- 18 (4.4.108)
- 19 (4.1.31)
- 20 (4.1.22)
- 21 (4.1.5)
- 22 (4.2.58)
- 23 (4.4.104)
- 24 (4.4.123)
- 25 (4.3.93)
- 26 (4.3.101)
- 27 (4.2.49)
- 28 (4.3.89)
- 29 (4.2.39)
- 30 (4.2.69)
- 31 (4.3.84)
- 32 (4.3.102)
- 33 (4.3.85)

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## Question Filters



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## Session Tools



Grade



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Time Value Tables



Question Properties

Session

Tools

### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 34 Which one of the following refers to a cost that remains the same as the volume of activity decreases within the relevant range?

- A. Variable cost per unit.
- B. Total variable cost.
- C. Unit fixed cost.
- D. Average cost per unit.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:48

## Questions:

- 13 (4.2.51)
- 14 (4.4.105)
- 15 (4.1.19)
- 16 (4.1.13)
- 17 (4.2.68)
- 18 (4.4.108)
- 19 (4.1.31)
- 20 (4.1.22)
- 21 (4.1.5)
- 22 (4.2.58)
- 23 (4.4.104)
- 24 (4.4.123)
- 25 (4.3.93)
- 26 (4.3.101)
- 27 (4.2.49)
- 28 (4.3.89)
- 29 (4.2.39)
- 30 (4.2.69)
- 31 (4.3.84)
- 32 (4.3.102)
- 33 (4.3.85)
- 34 (4.2.54)

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## Question Filters



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### Session Tools



Grade



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Time Value Tables



Question Properties

Tools

#### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 35 The controller of an online retailer has negotiated a five-year contract with a shipping company to pay the following amounts annually for the delivery of its goods, regardless of the amount:

Year 1	€1,000,000
Year 2	1,000,000
Year 3	1,500,000
Year 4	1,500,000
Year 5	2,000,000

What type of costs are these shipping expenditures?

- A. Variable.
- B. By-product.
- C. Mixed.
- D. Fixed.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:49

#### Questions:

- 14 (4.4.105)
- 15 (4.1.19)
- 16 (4.1.13)
- 17 (4.2.68)
- 18 (4.4.108)
- 19 (4.1.31)
- 20 (4.1.22)
- 21 (4.1.5)
- 22 (4.2.58)
- 23 (4.4.104)
- 24 (4.4.123)
- 25 (4.3.93)
- 26 (4.3.101)
- 27 (4.2.49)
- 28 (4.3.89)
- 29 (4.2.39)
- 30 (4.2.69)
- 31 (4.3.84)
- 32 (4.3.102)
- 33 (4.3.85)
- 34 (4.2.54)
- 35 (4.2.76)

#### Question Filters



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- 0 ✗ Incorrect
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## Session Tools



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Tools



Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques

Question: 36 Using management by exception allows managers to focus their attention on

- A. Areas that have deviated most from expectations.
- B. Unfavorable variances.
- C. Non-administrative costs and revenues.
- D. Variable costs and revenues.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:50

## Questions:

- 15 (4.1.19)
- 16 (4.1.13)
- 17 (4.2.68)
- 18 (4.4.108)
- 19 (4.1.31)
- 20 (4.1.22)
- 21 (4.1.5)
- 22 (4.2.58)
- 23 (4.4.104)
- 24 (4.4.123)
- 25 (4.3.93)
- 26 (4.3.101)
- 27 (4.2.49)
- 28 (4.3.89)
- 29 (4.2.39)
- 30 (4.2.69)
- 31 (4.3.84)
- 32 (4.3.102)
- 33 (4.3.85)
- 34 (4.2.54)
- 35 (4.2.76)
- 36 (4.4.125)

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## Question Filters



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- 0 ✓ Correct First Try
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- 0 ✗ Incorrect
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## Session Tools



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Time Value Tables



Question Properties

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### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 37 In a traditional manufacturing operation, direct costs would normally include

- A. Wood in a furniture factory.
- B. Commissions paid to sales personnel.
- C. Electricity in an electronics plant.
- D. Machine repairs in an automobile factory.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:52

## Questions:

- 16 (4.1.13)
- 17 (4.2.68)
- 18 (4.4.108)
- 19 (4.1.31)
- 20 (4.1.22)
- 21 (4.1.5)
- 22 (4.2.58)
- 23 (4.4.104)
- 24 (4.4.123)
- 25 (4.3.93)
- 26 (4.3.101)
- 27 (4.2.49)
- 28 (4.3.89)
- 29 (4.2.39)
- 30 (4.2.69)
- 31 (4.3.84)
- 32 (4.3.102)
- 33 (4.3.85)
- 34 (4.2.54)
- 35 (4.2.76)
- 36 (4.4.125)
- 37 (4.1.27)

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## Question Filters



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- 0 ✗ Incorrect
- 0 ▼ Marked

## Session Tools



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Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques

Question: 38 Which one of the following considers the impact of fixed overhead costs?

- A. Variable costing.
- B. Direct costing.
- C. Marginal costing.
- D. Full absorption costing.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:53

## Questions:

- 17 (4.2.68)
- 18 (4.4.108)
- 19 (4.1.31)
- 20 (4.1.22)
- 21 (4.1.5)
- 22 (4.2.58)
- 23 (4.4.104)
- 24 (4.4.123)
- 25 (4.3.93)
- 26 (4.3.101)
- 27 (4.2.49)
- 28 (4.3.89)
- 29 (4.2.39)
- 30 (4.2.69)
- 31 (4.3.84)
- 32 (4.3.102)
- 33 (4.3.85)
- 34 (4.2.54)
- 35 (4.2.76)
- 36 (4.4.125)
- 37 (4.1.27)
- 38 (4.4.106)

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## Question Filters



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## Session Tools



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Time Value Tables



Question Properties

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Tools

### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 39 An example of an operating cost at a hotel that is both direct and fixed is

- A. Water.
- B. Toilet tissue.
- C. Advertising for the hotel chain.
- D. Manager salary.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:54

## Questions:

- 18 (4.4.108)
- 19 (4.1.31)
- 20 (4.1.22)
- 21 (4.1.5)
- 22 (4.2.58)
- 23 (4.4.104)
- 24 (4.4.123)
- 25 (4.3.93)
- 26 (4.3.101)
- 27 (4.2.49)
- 28 (4.3.89)
- 29 (4.2.39)
- 30 (4.2.69)
- 31 (4.3.84)
- 32 (4.3.102)
- 33 (4.3.85)
- 34 (4.2.54)
- 35 (4.2.76)
- 36 (4.4.125)
- 37 (4.1.27)
- 38 (4.4.106)
- 39 (4.1.15)

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## Question Filters



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**Session Tools**  
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Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 40 Within the relevant range, fixed cost per unit will

A. Decrease as the activity level decreases.

B. Decrease as the activity level increases.

C. Remain the same as the activity level decreases.

D. Increase as the activity level increases.

A B C D

Mark For Review

Previous Next

Elapsed Time: 02:56

**Questions:**  
19 (4.1.31)  
20 (4.1.22)  
21 (4.1.5)  
22 (4.2.58)  
23 (4.4.104)  
24 (4.4.123)  
25 (4.3.93)  
26 (4.3.101)  
27 (4.2.49)  
28 (4.3.89)  
29 (4.2.39)  
30 (4.2.69)  
31 (4.3.84)  
32 (4.3.102)  
33 (4.3.85)  
34 (4.2.54)  
35 (4.2.76)  
36 (4.4.125)  
37 (4.1.27)  
38 (4.4.106)  
39 (4.1.15)  
40 (4.2.73)  
41 (4.4.7)

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## Session Tools



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Time Value Tables



Question Properties

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### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 41 Conversion cost pricing

- A. Could be used when the customer furnishes the material used in manufacturing a product.
- B. Places heavy emphasis on indirect costs and disregards consideration of direct costs.
- C. Places minimal emphasis on the cost of materials used in manufacturing a product.
- D. Places heavy emphasis on direct costs and disregards consideration of indirect costs.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:57

## Questions:

- 20 (4.1.22)
- 21 (4.1.5)
- 22 (4.2.58)
- 23 (4.4.104)
- 24 (4.4.123)
- 25 (4.3.93)
- 26 (4.3.101)
- 27 (4.2.49)
- 28 (4.3.89)
- 29 (4.2.39)
- 30 (4.2.69)
- 31 (4.3.84)
- 32 (4.3.102)
- 33 (4.3.85)
- 34 (4.2.54)
- 35 (4.2.76)
- 36 (4.4.125)
- 37 (4.1.27)
- 38 (4.4.106)
- 39 (4.1.15)
- 40 (4.2.73)
- 41 (4.1.7)**

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## Question Filters



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### Session Tools



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Question Properties

#### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 42 Costs are allocated to cost objects in many ways and for many reasons. Which one of the following is a purpose of cost allocation?

- A. Measuring income and assets for external reporting.
- B. Evaluating revenue center performance.
- C. Budgeting cash and controlling expenditures.
- D. Aiding in variable costing for internal reporting.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:58

#### Questions:

- 21 (4.1.5)
- 22 (4.2.58)
- 23 (4.4.104)
- 24 (4.4.123)
- 25 (4.3.93)
- 26 (4.3.101)
- 27 (4.2.49)
- 28 (4.3.89)
- 29 (4.2.39)
- 30 (4.2.69)
- 31 (4.3.84)
- 32 (4.3.102)
- 33 (4.3.85)
- 34 (4.2.54)
- 35 (4.2.76)
- 36 (4.4.125)
- 37 (4.1.27)
- 38 (4.4.106)
- 39 (4.1.15)
- 40 (4.2.73)
- 41 (4.1.7)
- 42 (4.1.10)

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#### Question Filters



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## Session Tools



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Time Value Tables  
Tools



Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 3: Cost Classification

Question: 43      Abnormal spoilage

- A. Is not expected to occur under efficient operating conditions.
- B. Cannot occur when perfection standards are used.
- C. Is not usually controllable by the production supervisor.
- D. Results from unrealistic production standards.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 02:59

## Questions:

- 22 (4.2.58)
- 23 (4.4.104)
- 24 (4.4.123)
- 25 (4.3.93)
- 26 (4.3.101)
- 27 (4.2.49)
- 28 (4.3.89)
- 29 (4.2.39)
- 30 (4.2.69)
- 31 (4.3.84)
- 32 (4.3.102)
- 33 (4.3.85)
- 34 (4.2.54)
- 35 (4.2.76)
- 36 (4.4.125)
- 37 (4.1.27)
- 38 (4.4.106)
- 39 (4.1.15)
- 40 (4.2.73)
- 41 (4.1.7)
- 42 (4.1.10)
- 43 (4.3.99)**

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## Question Filters



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## Session Tools



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Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 44 The difference between variable costs and fixed costs is

- A. Variable costs per unit are fixed over the relevant range and fixed costs per unit are variable.
- B. Total variable costs are variable over the relevant range and fixed in the long term, while fixed costs never change.
- C. Variable costs per unit change in varying increments, while fixed costs per unit change in equal increments.
- D. Variable costs per unit fluctuate and fixed costs per unit remain constant.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:00

## Questions:

- 23 (4.4.104)
- 24 (4.4.123)
- 25 (4.3.93)
- 26 (4.3.101)
- 27 (4.2.49)
- 28 (4.3.89)
- 29 (4.2.39)
- 30 (4.2.69)
- 31 (4.3.84)
- 32 (4.3.102)
- 33 (4.3.85)
- 34 (4.2.54)
- 35 (4.2.76)
- 36 (4.4.125)
- 37 (4.1.27)
- 38 (4.4.106)
- 39 (4.1.15)
- 40 (4.2.73)
- 41 (4.1.7)
- 42 (4.1.10)
- 43 (4.3.99)
- 44 (4.2.42)

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## Question Filters



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## Session Tools



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Time Value Tables



Question Properties

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Tools

### Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques

Question: 45 The difference between the sales price and total variable costs is

- A. The contribution margin.
- B. Gross operating profit.
- C. The breakeven point.
- D. Net profit.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:02

## Questions:

- 24 (4.4.123)
- 25 (4.3.93)
- 26 (4.3.101)
- 27 (4.2.49)
- 28 (4.3.89)
- 29 (4.2.39)
- 30 (4.2.69)
- 31 (4.3.84)
- 32 (4.3.102)
- 33 (4.3.85)
- 34 (4.2.54)
- 35 (4.2.76)
- 36 (4.4.125)
- 37 (4.1.27)
- 38 (4.4.106)
- 39 (4.1.15)
- 40 (4.2.73)
- 41 (4.1.7)
- 42 (4.1.10)
- 43 (4.3.99)
- 44 (4.2.42)
- 45 (4.4.112)

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## Question Filters



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## Session Tools



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Session



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Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 3: Cost Classification

Question: 46 A cost that bears an observable and known relationship to a quantifiable activity base is a(n)

- A. Target cost.
- B. Indirect cost.
- C. Sunk cost.
- D. Engineered cost.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:03

## Questions:

- 25 (4.3.93)
- 26 (4.3.101)
- 27 (4.2.49)
- 28 (4.3.89)
- 29 (4.2.39)
- 30 (4.2.69)
- 31 (4.3.84)
- 32 (4.3.102)
- 33 (4.3.85)
- 34 (4.2.54)
- 35 (4.2.76)
- 36 (4.4.125)
- 37 (4.1.27)
- 38 (4.4.106)
- 39 (4.1.15)
- 40 (4.2.73)
- 41 (4.1.7)
- 42 (4.1.10)
- 43 (4.3.99)
- 44 (4.2.42)
- 45 (4.4.112)
- 46 (4.3.86)

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## Question Filters



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Study Session

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Time Value Tables

Question Properties

Tools

Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques

Question: 47

A steel company manufactures heavy-duty brackets for the shelving industry. The company has budgeted for the production and sale of 1,000,000 brackets and has no beginning or ending inventory. Relevant operational, revenue, and cost data is as follows:

Unit selling price of a bracket	\$22.50
Direct material required per unit	4 pounds
Direct labor required per unit	0.15 hours
Cost of material per pound	\$1.75
Direct labor cost per hour	\$9.00
Total variable selling costs	\$2,250,000
Total fixed costs	\$1,500,000

Based on the data provided, what is the unit contribution margin per bracket?

A. \$10.40

B. \$10.60

C. \$14.15

D. \$11.90

Questions:

26 (4.3.101)

27 (4.2.49)

28 (4.3.89)

29 (4.2.39)

30 (4.2.69)

31 (4.3.84)

32 (4.3.102)

33 (4.3.85)

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35 (4.2.76)

36 (4.4.125)

37 (4.1.27)

38 (4.4.106)

39 (4.1.15)

40 (4.2.73)

41 (4.1.7)

42 (4.1.10)

43 (4.3.99)

44 (4.2.42)

45 (4.4.112)

46 (4.3.86)

**47 (4.4.126)**

48 (4.2.86)

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Question Filters

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C

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Mark For Review

## Session Tools



Grade



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Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 3: Cost Classification

Question: 48 Spoilage that is **not** expected to occur under normal, efficient operating conditions is considered

- A. Normal spoilage.
- B. Residual spoilage.
- C. Abnormal spoilage.
- D. Actual spoilage.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:06

## Questions:

27 (4.2.49)  
28 (4.3.89)  
29 (4.2.39)  
30 (4.2.69)  
31 (4.3.84)  
32 (4.3.102)  
33 (4.3.85)  
34 (4.2.54)  
35 (4.2.76)  
36 (4.4.125)  
37 (4.1.27)  
38 (4.4.106)  
39 (4.1.15)  
40 (4.2.73)  
41 (4.1.7)  
42 (4.1.10)  
43 (4.3.99)  
44 (4.2.42)  
45 (4.4.112)  
46 (4.3.86)  
47 (4.4.126)  
48 (4.3.95)  
49 (4.2.55)

Hide

## Question Filters



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## Session Tools



Grade



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Session



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Calculator



Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 49 An entity provides the following summary of its total budgeted production costs at three production levels:

	Volume in Units		
	1,000	1,500	2,000
Cost A	\$1,420	\$2,130	\$2,840
Cost B	1,550	2,200	2,900
Cost C	1,000	1,000	1,000
Cost D	1,630	2,445	3,260

The cost behavior of each of the Costs A through D, respectively, is

- A. Variable, semivariable, fixed, and variable.
- B. Variable, semivariable, fixed, and semivariable.
- C. Variable, fixed, fixed, and variable.
- D. Semivariable, variable, fixed, and variable.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:07

## Questions:

- 28 (4.3.89)
- 29 (4.2.39)
- 30 (4.2.69)
- 31 (4.3.84)
- 32 (4.3.102)
- 33 (4.3.85)
- 34 (4.2.54)
- 35 (4.2.76)
- 36 (4.4.125)
- 37 (4.1.27)
- 38 (4.4.106)
- 39 (4.1.15)
- 40 (4.2.73)
- 41 (4.1.7)
- 42 (4.1.10)
- 43 (4.3.99)
- 44 (4.2.42)
- 45 (4.4.112)
- 46 (4.3.86)
- 47 (4.4.126)
- 48 (4.3.95)
- 49 (4.2.55)

Hide

## Question Filters



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- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
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### Session Tools



Grade



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Session



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Calculator



Time Value Tables



Question Properties

Tools

#### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 50 Inventoriable costs

- A. Are expensed when products become part of finished goods inventory.
- B. Include only the prime costs of manufacturing a product.
- C. Are regarded as assets before the products are sold.
- D. Include only the conversion costs of manufacturing a product.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:08

#### Questions:

- 29 (4.2.39)
- 30 (4.2.69)
- 31 (4.3.84)
- 32 (4.3.102)
- 33 (4.3.85)
- 34 (4.2.54)
- 35 (4.2.76)
- 36 (4.4.125)
- 37 (4.1.27)
- 38 (4.4.106)
- 39 (4.1.15)
- 40 (4.2.73)
- 41 (4.1.7)
- 42 (4.1.10)
- 43 (4.3.99)
- 44 (4.2.42)
- 45 (4.4.112)
- 46 (4.3.86)
- 47 (4.4.126)
- 48 (4.3.95)
- 49 (4.2.55)
- 50 (4.1.1)**
- 51 (4.4.28)

Hide

#### Question Filters



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No filters enabled

- 0 Correct First Try
- 0 Currently Correct
- 0 Incorrect
- 0 Marked

## Session Tools



Grade



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Pause



Calculator



Time Value Tables



Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 51 In practice, items such as wood screws and glue used in the production of school desks and chairs would most likely be classified as

- A. Factory overhead.
- B. Period costs.
- C. Direct labor.
- D. Direct materials.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:10

## Questions:

- 30 (4.2.69)
- 31 (4.3.84)
- 32 (4.3.102)
- 33 (4.3.85)
- 34 (4.2.54)
- 35 (4.2.76)
- 36 (4.4.125)
- 37 (4.1.27)
- 38 (4.4.106)
- 39 (4.1.15)
- 40 (4.2.73)
- 41 (4.1.7)
- 42 (4.1.10)
- 43 (4.3.99)
- 44 (4.2.42)
- 45 (4.4.112)
- 46 (4.3.86)
- 47 (4.4.126)
- 48 (4.3.95)
- 49 (4.2.55)
- 50 (4.1.1)
- 51 (4.1.28)
- 52 (4.4.4)

Hide

## Question Filters



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No filters enabled

- 0 Correct First Try
- 0 Currently Correct
- 0 Incorrect
- 0 Marked

## Session Tools



Grade



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Session



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Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 52 Cost drivers are

- A. Accounting techniques used to control costs.
- B. A mechanical basis, such as machine hours, computer time, size of equipment, or square footage of factory, used to assign costs to activities.
- C. Activities that cause costs to increase as the activity increases.
- D. Accounting measurements used to evaluate whether or not performance is proceeding according to plan.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:11

## Questions:

- 31 (4.3.84)
- 32 (4.3.102)
- 33 (4.3.85)
- 34 (4.2.54)
- 35 (4.2.76)
- 36 (4.4.125)
- 37 (4.1.27)
- 38 (4.4.106)
- 39 (4.1.15)
- 40 (4.2.73)
- 41 (4.1.7)
- 42 (4.1.10)
- 43 (4.3.99)
- 44 (4.2.42)
- 45 (4.4.112)
- 46 (4.3.86)
- 47 (4.4.126)
- 48 (4.3.95)
- 49 (4.2.55)
- 50 (4.1.1)
- 51 (4.1.28)
- 52 (4.1.4)**
- 53 (4.2.75)

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## Question Filters



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- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked



### Session Tools



Grade



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Session



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Time Value Tables



Question Properties

Tools

#### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 53

A company's master budget for the year planned that the company would manufacture and sell 2,000 units for €500,000 in sales, €350,000 in variable expenses, and €45,000 in fixed expenses. If the company only manufactured and sold 1,750 units during the year, how much is the company's flexible budget operating income?

- A. €105,000
- B. €42,500
- C. €86,250
- D. €91,875

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:12

#### Questions:

- 32 (4.3.102)
- 33 (4.3.85)
- 34 (4.2.54)
- 35 (4.2.76)
- 36 (4.4.125)
- 37 (4.1.27)
- 38 (4.4.106)
- 39 (4.1.15)
- 40 (4.2.73)
- 41 (4.1.7)
- 42 (4.1.10)
- 43 (4.3.99)
- 44 (4.2.42)
- 45 (4.4.112)
- 46 (4.3.86)
- 47 (4.4.126)
- 48 (4.3.95)
- 49 (4.2.55)
- 50 (4.1.1)
- 51 (4.1.28)
- 52 (4.1.4)
- 53 (4.2.75)
- 54 (4.4.8)

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#### Question Filters



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**Session Tools**  
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Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 54 The term "prime costs" refers to

A. All costs associated with manufacturing other than direct labor costs and raw material costs.

B. Manufacturing costs incurred to produce units of output.

C. The sum of raw material costs and direct labor costs.

D. The sum of direct labor costs and all factory overhead costs.

A B C D

Mark For Review

Previous Next

Elapsed Time: 03:13

**Questions:**  
33 (4.3.85)  
34 (4.2.54)  
35 (4.2.76)  
36 (4.4.125)  
37 (4.1.27)  
38 (4.4.106)  
39 (4.1.15)  
40 (4.2.73)  
41 (4.1.7)  
42 (4.1.10)  
43 (4.3.99)  
44 (4.2.42)  
45 (4.4.112)  
46 (4.3.86)  
47 (4.4.126)  
48 (4.3.95)  
49 (4.2.55)  
50 (4.1.1)  
51 (4.1.28)  
52 (4.1.4)  
53 (4.2.75)  
**54 (4.1.8)**  
55 (4.3.94)

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**Question Filters**  
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## Session Tools



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Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 3: Cost Classification

Question: 55 A cost that may be eliminated by performing an activity more efficiently is a(n)

- A. Cost driver.
- B. Avoidable cost.
- C. Indirect cost.
- D. Opportunity cost.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:14

## Questions:

- 34 (4.2.54)
- 35 (4.2.76)
- 36 (4.4.125)
- 37 (4.1.27)
- 38 (4.4.106)
- 39 (4.1.15)
- 40 (4.2.73)
- 41 (4.1.7)
- 42 (4.1.10)
- 43 (4.3.99)
- 44 (4.2.42)
- 45 (4.4.112)
- 46 (4.3.86)
- 47 (4.4.126)
- 48 (4.3.95)
- 49 (4.2.55)
- 50 (4.1.1)
- 51 (4.1.28)
- 52 (4.1.4)
- 53 (4.2.75)
- 54 (4.1.8)

55 (4.3.94)

56 (4.4.12)

## Question Filters



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- 0 ✓ Correct First Try
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**Session Tools**

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**Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology**

Question: 56    A firm manufactures light bulbs. The following salaries were included in the firm's manufacturing costs for the year:

Machine operators	\$145,000
Factory supervisors	60,000
Machinery mechanics	25,000

What is the amount of direct labor for the year?

A. \$230,000  
B. \$145,000  
C. \$170,000  
D. \$205,000

A B C D

Mark For Review

Previous    Next

Elapsed Time: 03:15

**Questions:**

35 (4.2.76)  
36 (4.4.125)  
37 (4.1.27)  
38 (4.4.106)  
39 (4.1.15)  
40 (4.2.73)  
41 (4.1.7)  
42 (4.1.10)  
43 (4.3.99)  
44 (4.2.42)  
45 (4.4.112)  
46 (4.3.86)  
47 (4.4.126)  
48 (4.3.95)  
49 (4.2.55)  
50 (4.1.1)  
51 (4.1.28)  
52 (4.1.4)  
53 (4.2.75)  
54 (4.1.8)  
55 (4.3.94)  
**56 (4.1.12)**  
57 (4.4.24)

**Question Filters**

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## Session Tools



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Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 57 Conversion costs are

- A. The sum of raw materials costs and direct labor costs.
- B. Manufacturing costs incurred to produce units of output.
- C. The sum of direct labor costs and all factory overhead costs.
- D. All costs associated with manufacturing other than direct labor costs and raw material costs.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:17

## Questions:

- 36 (4.4.125)
- 37 (4.1.27)
- 38 (4.4.106)
- 39 (4.1.15)
- 40 (4.2.73)
- 41 (4.1.7)
- 42 (4.1.10)
- 43 (4.3.99)
- 44 (4.2.42)
- 45 (4.4.112)
- 46 (4.3.86)
- 47 (4.4.126)
- 48 (4.3.95)
- 49 (4.2.55)
- 50 (4.1.1)
- 51 (4.1.28)
- 52 (4.1.4)
- 53 (4.2.75)
- 54 (4.1.8)
- 55 (4.3.94)
- 56 (4.1.12)
- 57 (4.1.24)**
- 58 (4.2.47)

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## Question Filters



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- 0 Correct First Try
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## Session Tools



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Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 58 A corporation wishes to determine the fixed portion of its maintenance expense (a semivariable expense), as measured against direct labor hours, for the first 3 months of the year. The inspection costs are fixed; the adjustments necessitated by errors found during inspection account for the variable portion of the maintenance costs. Information for the first quarter is as follows:

	Direct Labor Hours	Maintenance Expense
January	34,000	\$610
February	31,000	\$585
March	34,000	\$610

What is the fixed portion of maintenance expense, rounded to the nearest dollar?

- A. \$283
- B. \$327
- C. \$541
- D. \$258

A

B

C

D



Mark For Review



Previous



Next

## Questions:

- 37 (4.1.27)
- 38 (4.4.106)
- 39 (4.1.15)
- 40 (4.2.73)
- 41 (4.1.7)
- 42 (4.1.10)
- 43 (4.3.99)
- 44 (4.2.42)
- 45 (4.4.112)
- 46 (4.3.86)
- 47 (4.4.126)
- 48 (4.3.95)
- 49 (4.2.55)
- 50 (4.1.1)
- 51 (4.1.28)
- 52 (4.1.4)
- 53 (4.2.75)
- 54 (4.1.8)
- 55 (4.3.94)
- 56 (4.1.12)
- 57 (4.1.24)

58 (4.2.47)

59 (4.2.59)

## Question Filters



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## Session Tools



Grade



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Time Value Tables



Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 59 A management accountant is about to prepare graphs of total variable cost and per-unit variable cost for use in a short-term planning model. Dollars will be depicted on the vertical axis; activity will be shown on the horizontal axis. How will these graphs appear under completion?

	Total Variable Cost	Per-Unit Variable Cost
A.	Straight line, sloping upward to the right.	Straight line, sloping upward to the right.
B.	Curvilinear, sloping upward to the right.	A line that basically parallels the horizontal axis, first decreasing and then increasing.
C.	Straight line, sloping upward to the right.	Straight line, parallel to the horizontal axis.
D.	Straight line, parallel to the horizontal axis.	Straight line, sloping upward to the right.

## Questions:

- 38 (4.4.106)
- 39 (4.1.15)
- 40 (4.2.73)
- 41 (4.1.7)
- 42 (4.1.10)
- 43 (4.3.99)
- 44 (4.2.42)
- 45 (4.4.112)
- 46 (4.3.86)
- 47 (4.4.126)
- 48 (4.3.95)
- 49 (4.2.55)
- 50 (4.1.1)
- 51 (4.1.28)
- 52 (4.1.4)
- 53 (4.2.75)
- 54 (4.1.8)
- 55 (4.3.94)
- 56 (4.1.12)
- 57 (4.1.24)
- 58 (4.2.47)
- 59 (4.2.59)
- 60 (4.1.14)

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## Question Filters



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### Session Tools



Grade



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Session



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Calculator



Time Value Tables



Question Properties

Tools

#### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 60 A company used \$200,000 of direct materials during June. At June 30, direct materials inventory was \$30,000 more than it was at June 1. What were direct materials purchases during June?

- A. \$170,000
- B. \$230,000
- C. \$30,000
- D. \$200,000

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:24

#### Questions:

- 39 (4.1.15)
- 40 (4.2.73)
- 41 (4.1.7)
- 42 (4.1.10)
- 43 (4.3.99)
- 44 (4.2.42)
- 45 (4.4.112)
- 46 (4.3.86)
- 47 (4.4.126)
- 48 (4.3.95)
- 49 (4.2.55)
- 50 (4.1.1)
- 51 (4.1.28)
- 52 (4.1.4)
- 53 (4.2.75)
- 54 (4.1.8)
- 55 (4.3.94)
- 56 (4.1.12)
- 57 (4.1.24)
- 58 (4.2.47)
- 59 (4.2.59)

60 (4.1.14)

61 (4.3.88)

#### Question Filters



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## Session Tools



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Discard



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Time Value Tables



Question Properties

Session

Tools

### Study Unit 4: Cost Management Concepts | Subunit 3: Cost Classification

Question: 61 Costs that arise from periodic budgeting decisions that have no strong input-output relationship are commonly called

- A. Discretionary costs.
- B. Differential costs.
- C. Committed costs.
- D. Opportunity costs.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:25

## Questions:

- 40 (4.2.13)
- 41 (4.1.7)
- 42 (4.1.10)
- 43 (4.3.99)
- 44 (4.2.42)
- 45 (4.4.112)
- 46 (4.3.86)
- 47 (4.4.126)
- 48 (4.3.95)
- 49 (4.2.55)
- 50 (4.1.1)
- 51 (4.1.28)
- 52 (4.1.4)
- 53 (4.2.75)
- 54 (4.1.8)
- 55 (4.3.94)
- 56 (4.1.12)
- 57 (4.1.24)
- 58 (4.2.47)
- 59 (4.2.59)
- 60 (4.1.14)
- 61 (4.3.88)
- 62 (4.3.92)

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## Question Filters



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- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
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- 0 ▼ Marked

## Session Tools



Grade



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Pause



Calculator



Time Value Tables



Question Properties

### Fact Pattern:

Huron Industries has recently developed two new products, a cleaning unit for video discs and a disc duplicator for reproducing movies taken with a video camera. However, Huron has only enough plant capacity to introduce one of these products during the current year. The company controller has gathered the following data to assist management in deciding which product should be selected for production.

Huron's fixed overhead includes rent and utilities, equipment depreciation, and supervisory salaries. Selling and administrative expenses are not allocated to products.

	Disc Duplicator	Cleaning Unit
Raw materials	\$ 44.00	\$ 36.00
Machining at \$12 per hr.	18.00	15.00
Assembly at \$10 per hr.	30.00	10.00
Variable overhead at \$8 per hr.	36.00	18.00
Fixed overhead at \$4 per hr.	18.00	9.00
Total cost	\$ 146.00	\$ 88.00
Suggested selling price	\$ 169.95	\$ 99.98
Actual research and development costs	\$240,000	\$175,000
Proposed advertising and promotion costs	\$500,000	\$350,000

Question: 62 The advertising and promotion costs for the product selected by Huron will be

- A. Opportunity costs.
- B. Committed costs.
- C. Discretionary costs.
- D. Incremental costs.

### Questions:

- 41 (4.1.7)
- 42 (4.1.10)
- 43 (4.3.99)
- 44 (4.2.42)
- 45 (4.4.112)
- 46 (4.3.86)
- 47 (4.4.126)
- 48 (4.3.95)
- 49 (4.2.55)
- 50 (4.1.1)
- 51 (4.1.28)
- 52 (4.1.4)
- 53 (4.2.75)
- 54 (4.1.8)
- 55 (4.3.94)
- 56 (4.1.12)
- 57 (4.1.24)
- 58 (4.2.47)
- 59 (4.2.59)
- 60 (4.1.14)
- 61 (4.3.88)
- 62 (4.3.92)
- 63 (4.1.2)

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### Question Filters



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## Session Tools



Grade



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Session



Pause



Calculator



Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 63 Which one of the following **best** describes direct labor?

- A. A period cost.
- B. Both a product cost and a prime cost.
- C. A prime cost.
- D. A product cost.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:29

## Questions:

- 42 (4.1.10)
- 43 (4.3.99)
- 44 (4.2.42)
- 45 (4.4.112)
- 46 (4.3.86)
- 47 (4.4.126)
- 48 (4.3.95)
- 49 (4.2.55)
- 50 (4.1.1)
- 51 (4.1.28)
- 52 (4.1.4)
- 53 (4.2.75)
- 54 (4.1.8)
- 55 (4.3.94)
- 56 (4.1.12)
- 57 (4.1.24)
- 58 (4.2.47)
- 59 (4.2.59)
- 60 (4.1.14)
- 61 (4.3.88)
- 62 (4.3.92)
- 63 (4.1.2)**
- 64 (4.2.35)

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## Question Filters



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## Session Tools



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Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 64

The controller of a company has requested a quick estimate of the manufacturing supplies needed for the month of July when production is expected to be 470,000 units to meet the ending inventory requirements and sales of 475,000 units. The company's budget analyst has the following actual data for the last 3 months:

Month	Production in Units	Manufacturing Supplies
March	450,000	\$723,060
April	540,000	853,560
May	480,000	766,560

Using these data and the high-low method to develop a cost estimating equation, the estimate of needed manufacturing supplies for July would be

- A. \$652,500
- B. \$752,060
- C. \$749,180
- D. \$681,500

A

B

C

D



Mark For Review



Previous



Next

## Questions:

- 43 (4.3.99)
- 44 (4.2.42)
- 45 (4.4.112)
- 46 (4.3.86)
- 47 (4.4.126)
- 48 (4.3.95)
- 49 (4.2.55)
- 50 (4.1.1)
- 51 (4.1.28)
- 52 (4.1.4)
- 53 (4.2.75)
- 54 (4.1.8)
- 55 (4.3.94)
- 56 (4.1.12)
- 57 (4.1.24)
- 58 (4.2.47)
- 59 (4.2.59)
- 60 (4.1.14)
- 61 (4.3.88)
- 62 (4.3.92)
- 63 (4.1.2)
- 64 (4.2.35)
- 65 (4.4.114)

Hide

## Question Filters



Unanswered



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No filters enabled

- 0 Correct First Try
- 0 Currently Correct
- 0 Incorrect

## Session Tools



Grade



Discard  
Session



Pause



Calculator



Time Value Tables  
Tools



Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques

Question: 65 The term "gross margin" for a manufacturing firm refers to excess of sales over

- A. All variable costs, including variable selling and administrative expenses.
- B. Cost of goods sold, including fixed indirect manufacturing costs.
- C. Manufacturing costs, excluding fixed manufacturing costs.
- D. Cost of goods sold, excluding fixed indirect manufacturing costs.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:31

## Questions:

44 (4.2.42)  
45 (4.4.112)  
46 (4.3.86)  
47 (4.4.126)  
48 (4.3.95)  
49 (4.2.55)  
50 (4.1.1)  
51 (4.1.28)  
52 (4.1.4)  
53 (4.2.75)  
54 (4.1.8)  
55 (4.3.94)  
56 (4.1.12)  
57 (4.1.24)  
58 (4.2.47)  
59 (4.2.59)  
60 (4.1.14)  
61 (4.3.88)  
62 (4.3.92)  
63 (4.1.2)  
64 (4.2.35)

65 (4.4.114)

66 (4.2.70)

## Question Filters



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## Session Tools



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Calculator



Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 66 A company recorded the following production costs during the previous two-week period:

	Week 1		Week 2
Direct labor costs	\$17,000	Direct labor costs	\$19,500
Other manufacturing costs	25,000	Other manufacturing costs	28,000
Units produced	5,000	Units produced	6,000

Assuming both weeks fall in the same relevant range, what was the total fixed cost during Week 1?

- A. \$14,500
- B. \$25,000
- C. \$26,500
- D. \$5,500

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:32

## Questions:

- 45 (4.4.11.2)
- 46 (4.3.86)
- 47 (4.4.126)
- 48 (4.3.95)
- 49 (4.2.55)
- 50 (4.1.1)
- 51 (4.1.28)
- 52 (4.1.4)
- 53 (4.2.75)
- 54 (4.1.8)
- 55 (4.3.94)
- 56 (4.1.12)
- 57 (4.1.24)
- 58 (4.2.47)
- 59 (4.2.59)
- 60 (4.1.14)
- 61 (4.3.88)
- 62 (4.3.92)
- 63 (4.1.2)
- 64 (4.2.35)
- 65 (4.4.114)
- 66 (4.2.70)
- 67 (4.1.9)

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## Question Filters



Unanswered



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- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked

**Session Tools**

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Calculator

Time Value Tables

Question Properties

**Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology**

Question: 67    The terms direct cost and indirect cost are commonly used in accounting. A particular cost might be considered a direct cost of a manufacturing department but an indirect cost of the product produced in the manufacturing department. Classifying a cost as either direct or indirect depends upon

- A. Whether the cost is expensed in the period in which it is incurred.
- B. The cost object to which the cost is being related.
- C. Whether an expenditure is unavoidable because it cannot be changed regardless of any action taken.
- D. The behavior of the cost in response to volume changes.

A

B

C

D

Mark For Review

Previous

Next

Elapsed Time: 03:33

**Questions:**

- 40 (4.3.00)
- 47 (4.4.126)
- 48 (4.3.95)
- 49 (4.2.55)
- 50 (4.1.1)
- 51 (4.1.28)
- 52 (4.1.4)
- 53 (4.2.75)
- 54 (4.1.8)
- 55 (4.3.94)
- 56 (4.1.12)
- 57 (4.1.24)
- 58 (4.2.47)
- 59 (4.2.59)
- 60 (4.1.14)
- 61 (4.3.88)
- 62 (4.3.92)
- 63 (4.1.2)
- 64 (4.2.35)
- 65 (4.4.114)
- 66 (4.2.70)
- 67 (4.1.9)**
- 68 (4.2.34)

**Question Filters**

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- 0 Correct First Try
- 0 Currently Correct
- 0 Incorrect
- 0 Marked

**Session Tools**

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Calculator

Time Value Tables

Question Properties

**Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range**

Question: 68    An assembly plant accumulates its variable and fixed manufacturing overhead costs in a single cost pool, which is then applied to work in process using a single application base. The assembly plant management wants to estimate the magnitude of the total manufacturing overhead costs for different volume levels of the application activity base using a flexible budget formula. If there is an increase in the application activity base that is within the relevant range of activity for the assembly plant, which one of the following relationships regarding variable and fixed costs is **true**?

A. The variable cost per unit and the total fixed costs remain constant.

B. The variable cost per unit is constant, and the total fixed costs increase.

C. The variable cost per unit increases, and the total fixed costs remain constant.

D. The variable cost per unit is constant, and the total fixed costs decrease.

A

B

C

D

Mark For Review

Previous

Next

Elapsed Time: 03:35

**Questions:**

47 (4.4.120)  
48 (4.3.95)  
49 (4.2.55)  
50 (4.1.1)  
51 (4.1.28)  
52 (4.1.4)  
53 (4.2.75)  
54 (4.1.8)  
55 (4.3.94)  
56 (4.1.12)  
57 (4.1.24)  
58 (4.2.47)  
59 (4.2.59)  
60 (4.1.14)  
61 (4.3.88)  
62 (4.3.92)  
63 (4.1.2)  
64 (4.2.35)  
65 (4.4.114)  
66 (4.2.70)  
67 (4.1.9)  
**68 (4.2.34)**  
69 (4.4.119)

**Question Filters**

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**Session Tools**

Grade
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Calculator
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**Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques**

Question: 69    The budget for a product is as follows.

Sales	\$10,000,000
Materials and labor	4,000,000
Fixed manufacturing overhead	1,500,000
Sales commissions	500,000
Advertising (fixed)	200,000
Other marketing costs (fixed)	800,000
Allocated administrative costs	<u>2,000,000</u>
Income	<u>\$ 1,000,000</u>

The budgeted contribution margin for this product is

A. \$5,300,000

B. \$4,500,000

C. \$3,000,000

D. \$5,500,000

Hide

Questions:
 

48 (4.3.33)  
 49 (4.2.55)  
 50 (4.1.1)  
 51 (4.1.28)  
 52 (4.1.4)  
 53 (4.2.75)  
 54 (4.1.8)  
 55 (4.3.94)  
 56 (4.1.12)  
 57 (4.1.24)  
 58 (4.2.47)  
 59 (4.2.59)  
 60 (4.1.14)  
 61 (4.3.88)  
 62 (4.3.92)  
 63 (4.1.2)  
 64 (4.2.35)  
 65 (4.4.114)  
 66 (4.2.70)  
 67 (4.1.9)  
 68 (4.2.34)  
**69 (4.4.119)**  
 70 (4.1.11)

**Question Filters**

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No filters enabled

0 Correct First Try  
 0 Currently Correct  
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A

B

C

D

Mark For Review

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**Session Tools**

Grade
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 Pause

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 Time Value Tables
 Question Properties

**Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology**

Question: 70     Direct labor costs are wages paid to

	Machine Operators	Factory Supervisors	Corporate Vice-President
A.	No	Yes	Yes
B.	No	No	Yes
C.	Yes	Yes	Yes
D.	Yes	No	No

A

B

C

D

Mark For Review

Previous
 Next

Elapsed Time: 03:37

**Questions:**

49 (4.2.33)  
50 (4.1.1)  
51 (4.1.28)  
52 (4.1.4)  
53 (4.2.75)  
54 (4.1.8)  
55 (4.3.94)  
56 (4.1.12)  
57 (4.1.24)  
58 (4.2.47)  
59 (4.2.59)  
60 (4.1.14)  
61 (4.3.88)  
62 (4.3.92)  
63 (4.1.2)  
64 (4.2.35)  
65 (4.4.114)  
66 (4.2.70)  
67 (4.1.9)  
68 (4.2.34)  
69 (4.4.119)  
**70 (4.1.11)**  
71 (4.2.50)

**Question Filters**

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No filters enabled

0 Correct First Try

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0 Incorrect

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## Session Tools



Grade



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Pause



Calculator



Time Value Tables



Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 71 An entity estimates its total materials handling costs at two production levels as follows:

Cost	Gallons
\$160,000	80,000
\$132,000	60,000

What is the estimated total cost for handling 75,000 gallons?

- A. \$165,000
- B. \$153,000
- C. \$150,000
- D. \$146,000

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:39

## Questions:

- 50 (4.1.1)
- 51 (4.1.28)
- 52 (4.1.4)
- 53 (4.2.75)
- 54 (4.1.8)
- 55 (4.3.94)
- 56 (4.1.12)
- 57 (4.1.24)
- 58 (4.2.47)
- 59 (4.2.59)
- 60 (4.1.14)
- 61 (4.3.88)
- 62 (4.3.92)
- 63 (4.1.2)
- 64 (4.2.35)
- 65 (4.4.114)
- 66 (4.2.70)
- 67 (4.1.9)
- 68 (4.2.34)
- 69 (4.4.119)
- 70 (4.1.11)
- 71 (4.2.50)
- 72 (4.1.16)

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## Question Filters



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No filters enabled

- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked

**Session Tools**

Grade
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Calculator
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 Question Properties

**Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology**

Question: 72    A company produces 200,000 units of a good that has the following costs:

Direct material costs	\$2,000,000
Direct manufacturing labor costs	1,000,000
Indirect manufacturing labor costs	600,000

The company's per unit prime costs and conversion costs, respectively, are

A. \$10 and \$8.

B. \$15 and \$8.

C. \$8 and \$18.

D. \$8 and \$15.

A

B

C

D

Mark For Review

Previous
 Next

Elapsed Time: 03:40

**Questions:**

- 51 (4.1.20)
- 52 (4.1.4)
- 53 (4.2.75)
- 54 (4.1.8)
- 55 (4.3.94)
- 56 (4.1.12)
- 57 (4.1.24)
- 58 (4.2.47)
- 59 (4.2.59)
- 60 (4.1.14)
- 61 (4.3.88)
- 62 (4.3.92)
- 63 (4.1.2)
- 64 (4.2.35)
- 65 (4.4.114)
- 66 (4.2.70)
- 67 (4.1.9)
- 68 (4.2.34)
- 69 (4.4.119)
- 70 (4.1.11)
- 71 (4.2.50)
- 72 (4.1.16)**
- 73 (4.4.118)

**Question Filters**

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- 0 Correct First Try
- 0 Currently Correct
- 0 Incorrect
- 0 Marked

## Session Tools



Grade



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Session



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Calculator



Time Value Tables



Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques

Question: 73 Consider the cost of goods sold calculation shown below.

Beginning inventory	\$ 100,000
Plus cost of goods manufactured	2,500,000
Less ending inventory	(125,000)
Plus variable overhead efficiency variance	10,000
Cost of goods sold	<u>\$2,485,000</u>

This is an example of which cost measurement technique?

- A. Either actual costing or normal costing.
- B. Either normal costing or standard costing.
- C. Standard costing.
- D. Normal costing.

A

B

C

D



Mark For Review



Previous



Next

## Questions:

- 52 (4.1.4)
- 53 (4.2.75)
- 54 (4.1.8)
- 55 (4.3.94)
- 56 (4.1.12)
- 57 (4.1.24)
- 58 (4.2.47)
- 59 (4.2.59)
- 60 (4.1.14)
- 61 (4.3.88)
- 62 (4.3.92)
- 63 (4.1.2)
- 64 (4.2.35)
- 65 (4.4.114)
- 66 (4.2.70)
- 67 (4.1.9)
- 68 (4.2.34)
- 69 (4.4.119)
- 70 (4.1.11)
- 71 (4.2.50)
- 72 (4.1.16)
- 73 (4.4.118)**
- 74 (4.1.6)

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## Question Filters



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No filters enabled

- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ✗ Marked

### Session Tools



Grade



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Pause



Calculator



Time Value Tables



Question Properties

Session

Tools

#### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 74 Conversion costs do not include

- A. Direct materials.
- B. Indirect materials.
- C. Indirect labor.
- D. Depreciation.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:42

### Questions:

- 53 (4.2.1.3)
- 54 (4.1.8)
- 55 (4.3.94)
- 56 (4.1.12)
- 57 (4.1.24)
- 58 (4.2.47)
- 59 (4.2.59)
- 60 (4.1.14)
- 61 (4.3.88)
- 62 (4.3.92)
- 63 (4.1.2)
- 64 (4.2.35)
- 65 (4.4.114)
- 66 (4.2.70)
- 67 (4.1.9)
- 68 (4.2.34)
- 69 (4.4.119)
- 70 (4.1.11)
- 71 (4.2.50)
- 72 (4.1.16)
- 73 (4.4.118)
- 74 (4.1.6)**
- 75 (4.4.103)

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### Question Filters



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- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked

**Session Tools**  
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Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques

Question: 75 Which one of the following alternatives correctly classifies the business application to the appropriate costing system?

Job Costing System	Process Costing System
A. Wallpaper manufacturer	Oil refinery
B. Print shop	Beverage manufacturer
C. Aircraft assembly	Public accounting firm
D. Paint manufacturer	Retail banking

A B C D

Mark For Review

Previous Next

Elapsed Time: 03:44

**Questions:**  
55 (4.3.94)  
56 (4.1.12)  
57 (4.1.24)  
58 (4.2.47)  
59 (4.2.59)  
60 (4.1.14)  
61 (4.3.88)  
62 (4.3.92)  
63 (4.1.2)  
64 (4.2.35)  
65 (4.4.114)  
66 (4.2.70)  
67 (4.1.9)  
68 (4.2.34)  
69 (4.4.119)  
70 (4.1.11)  
71 (4.2.50)  
72 (4.1.16)  
73 (4.4.118)  
74 (4.1.6)  
**75 (4.4.103)**  
76 (4.2.62)

**Question Filters**  
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No filters enabled

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## Session Tools



Grade



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Session



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Calculator



Time Value Tables



Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

**Fact Pattern:** Jackson Co. has the following information for the first 4 months of this year:

	Machine Hours	Cleaning Expense
January	2,100	\$ 900
February	2,600	1,200
March	1,600	800
April	2,000	1,000

Question: 76 Jackson's management expects machine hours for the month of May to be 1,400 hours. Given a variable portion of \$.40 per machine hour and a fixed portion of \$160 per month, what is their expected total cost for the month of May?

- A. \$720
- B. \$650
- C. \$560
- D. \$760

A

B

C

D

Mark For Review



Previous



Next

## Questions:

- 56 (4.1.12)
- 57 (4.1.24)
- 58 (4.2.47)
- 59 (4.2.59)
- 60 (4.1.14)
- 61 (4.3.88)
- 62 (4.3.92)
- 63 (4.1.2)
- 64 (4.2.35)
- 65 (4.4.114)
- 66 (4.2.70)
- 67 (4.1.9)
- 68 (4.2.34)
- 69 (4.4.119)
- 70 (4.1.11)
- 71 (4.2.50)
- 72 (4.1.16)
- 73 (4.4.118)
- 74 (4.1.6)
- 75 (4.4.103)
- 76 (4.2.62)**
- 77 (4.1.32)

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## Question Filters



Unanswered



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No filters enabled

- 0 Correct First Try
- 0 Currently Correct
- 0 Incorrect
- 0 Marked



## Session Tools



Grade



Discard



Pause



Calculator



Time Value Tables



Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 77 All of the following would be considered manufacturing overhead costs by a book publisher **except**

- A. Depreciation on the printing equipment.
- B. Fire insurance on the printing facilities.
- C. Rent on the warehouse containing the finished books inventory.
- D. Wages paid to the production supervisor.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:47

## Questions:

- 57 (4.1.24)
- 58 (4.2.47)
- 59 (4.2.59)
- 60 (4.1.14)
- 61 (4.3.88)
- 62 (4.3.92)
- 63 (4.1.2)
- 64 (4.2.35)
- 65 (4.4.114)
- 66 (4.2.70)
- 67 (4.1.9)
- 68 (4.2.34)
- 69 (4.4.119)
- 70 (4.1.11)
- 71 (4.2.50)
- 72 (4.1.16)
- 73 (4.4.118)
- 74 (4.1.6)
- 75 (4.4.103)
- 76 (4.2.62)
- 77 (4.1.32)**
- 78 (4.1.18)

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## Question Filters



Unanswered



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- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked

## Session Tools



Grade



Discard  
Session



Pause



Calculator



Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 78 Using absorption costing, fixed manufacturing overhead costs are **best** described as

- A. Indirect period costs.
- B. Direct period costs.
- C. Direct product costs.
- D. Indirect product costs.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:48

## Questions:

- 57 (4.1.24)
- 58 (4.2.47)
- 59 (4.2.59)
- 60 (4.1.14)
- 61 (4.3.88)
- 62 (4.3.92)
- 63 (4.1.2)
- 64 (4.2.35)
- 65 (4.4.114)
- 66 (4.2.70)
- 67 (4.1.9)
- 68 (4.2.34)
- 69 (4.4.119)
- 70 (4.1.11)
- 71 (4.2.50)
- 72 (4.1.16)
- 73 (4.4.118)
- 74 (4.1.6)
- 75 (4.4.103)
- 76 (4.2.62)
- 77 (4.1.32)
- 78 (4.1.18)**
- 79 (4.3.97)

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## Question Filters



Unanswered



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No filters enabled

- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked

**Session Tools**  
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Study Unit 4: Cost Management Concepts | Subunit 3: Cost Classification

Question: 79 A company produces stereo speakers for automobile manufacturers. The automobile manufacturers reject approximately 3% of the stereo speakers received as being of unacceptable quality. The company inspects the rejected speakers to determine which ones should be reworked and which ones should be discarded. The discarded speakers are classified as

A. Spoilage.  
B. Rework costs.  
C. Scrap.  
D. Waste.

A B C D

Mark For Review

Previous Next

Elapsed Time: 03:50

Questions:

59 (4.2.59)  
60 (4.1.14)  
61 (4.3.88)  
62 (4.3.92)  
63 (4.1.2)  
64 (4.2.35)  
65 (4.4.114)  
66 (4.2.70)  
67 (4.1.9)  
68 (4.2.34)  
69 (4.4.119)  
70 (4.1.11)  
71 (4.2.50)  
72 (4.1.16)  
73 (4.4.118)  
74 (4.1.6)  
75 (4.4.103)  
76 (4.2.62)  
77 (4.1.32)  
78 (4.1.18)  
79 (4.3.97)  
80 (4.3.79)

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**Question Filters**

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## Session Tools



Grade



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Session



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Calculator



Time Value Tables  
Tools



Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 3: Cost Classification

Question: 80 An imputed cost is

- A. A cost that does not entail any dollar outlay but is relevant to the decision-making process.
- B. A cost that cannot be avoided because it has already been incurred.
- C. A cost that continues to be incurred even though there is no activity.
- D. The difference in total costs that results from selecting one alternative instead of another.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:51

## Questions:

- 59 (4.1.14)
- 60 (4.1.14)
- 61 (4.3.88)
- 62 (4.3.92)
- 63 (4.1.2)
- 64 (4.2.35)
- 65 (4.4.114)
- 66 (4.2.70)
- 67 (4.1.9)
- 68 (4.2.34)
- 69 (4.4.119)
- 70 (4.1.11)
- 71 (4.2.50)
- 72 (4.1.16)
- 73 (4.4.118)
- 74 (4.1.6)
- 75 (4.4.103)
- 76 (4.2.62)
- 77 (4.1.32)
- 78 (4.1.18)
- 79 (4.3.97)
- 80 (4.3.79)**
- 81 (4.4.117)

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## Question Filters



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- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked

## Session Tools



Grade



Discard  
Session



Pause



Calculator



Time Value Tables



Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques

Question: 81 Consider the following information for Richardson Company for the prior year:

- The company produced 1,000 units and sold 900 units, both as budgeted.
- There were no beginning or ending work-in-process inventories and no beginning finished goods inventory.
- Budgeted and actual fixed costs were equal, all variable manufacturing costs were affected by production volume only, and all variable selling costs were affected by sales volume only.
- Budgeted per unit revenues and costs were as follows:

	Per unit
Sales price	\$100
Direct materials	30
Direct labor	20
Other variable manufacturing costs	10
Fixed selling costs	5
Variable selling costs	12
Fixed manufacturing costs (\$3,600 total)	4
Fixed administrative costs (\$1,800 total)	2

The contribution margin earned by Richardson for the prior year was

- A. \$35,000
- B. \$25,200
- C. \$28,000
- D. \$31,500

## Questions:

- 61 (4.3.88)
- 62 (4.3.92)
- 63 (4.1.2)
- 64 (4.2.35)
- 65 (4.4.114)
- 66 (4.2.70)
- 67 (4.1.9)
- 68 (4.2.34)
- 69 (4.4.119)
- 70 (4.1.11)
- 71 (4.2.50)
- 72 (4.1.16)
- 73 (4.4.118)
- 74 (4.1.6)
- 75 (4.4.103)
- 76 (4.2.62)
- 77 (4.1.32)
- 78 (4.1.18)
- 79 (4.3.97)
- 80 (4.3.79)
- 81 (4.4.117)
- 82 (4.1.33)

Hide

## Question Filters



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### Session Tools



Grade



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Session



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Calculator



Time Value Tables



Question Properties

Tools

#### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 82 Indirect and common costs often make up a significant portion of the cost of a product. All of the following are reasons for indirect cost allocation to cost objects **except** to

- A. Measure income and assets for external reporting purposes.
- B. Reduce total costs identified with products.
- C. Justify costs for reimbursement purposes.
- D. Provide information for economic decision making.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:54

### Questions:

- 61 (4.3.88)
- 62 (4.3.92)
- 63 (4.1.2)
- 64 (4.2.35)
- 65 (4.4.114)
- 66 (4.2.70)
- 67 (4.1.9)
- 68 (4.2.34)
- 69 (4.4.119)
- 70 (4.1.11)
- 71 (4.2.50)
- 72 (4.1.16)
- 73 (4.4.118)
- 74 (4.1.6)
- 75 (4.4.103)
- 76 (4.2.62)
- 77 (4.1.32)
- 78 (4.1.18)
- 79 (4.3.97)
- 80 (4.3.79)
- 81 (4.4.117)
- 82 (4.1.33)**
- 83 (4.1.3)

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### Question Filters



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- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked

## Session Tools



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Time Value Tables



Question Properties

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Tools

### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 83 Which of the following is a period cost rather than a product cost of a manufacturer?

- A. Direct materials.
- B. Abnormal spoilage.
- C. Variable overhead.
- D. Fixed overhead.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:56

## Questions:

- 63 (4.1.2)
- 64 (4.2.35)
- 65 (4.4.114)
- 66 (4.2.70)
- 67 (4.1.9)
- 68 (4.2.34)
- 69 (4.4.119)
- 70 (4.1.11)
- 71 (4.2.50)
- 72 (4.1.16)
- 73 (4.4.118)
- 74 (4.1.6)
- 75 (4.4.103)
- 76 (4.2.62)
- 77 (4.1.32)
- 78 (4.1.18)
- 79 (4.3.97)
- 80 (4.3.79)
- 81 (4.4.117)
- 82 (4.1.33)
- 83 (4.1.3)**
- 84 (4.4.128)

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## Question Filters



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- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked

## Session Tools



Grade



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Session



Pause



Calculator



Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques

Question: 84 Operating income under variable costing is contribution margin minus

- A. Fixed manufacturing overhead and fixed selling and administrative expenses.
- B. Fixed manufacturing overhead and variable manufacturing overhead.
- C. Variable selling and administrative expenses and fixed selling and administrative expenses.
- D. Cost of goods sold and administrative expenses.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 03:57

## Questions:

- 64 (4.2.35)
- 65 (4.4.114)
- 66 (4.2.70)
- 67 (4.1.9)
- 68 (4.2.34)
- 69 (4.4.119)
- 70 (4.1.11)
- 71 (4.2.50)
- 72 (4.1.16)
- 73 (4.4.118)
- 74 (4.1.6)
- 75 (4.4.103)
- 76 (4.2.62)
- 77 (4.1.32)
- 78 (4.1.18)
- 79 (4.3.97)
- 80 (4.3.79)
- 81 (4.4.117)
- 82 (4.1.33)
- 83 (4.1.3)
- 84 (4.4.128)**
- 85 (4.2.63)

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## Question Filters



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- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked



Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

**Fact Pattern:**

In preparing the annual profit plan for the coming year, Wilkens Company wants to determine the cost behavior pattern of the maintenance costs. Wilkens has decided to use linear regression by employing the equation  $y = a + bx$  for maintenance costs. The prior year's data regarding maintenance hours and costs, and the results of the regression analysis, are given below and in the opposite column.

Average cost per hour	\$9.00
$a$	684.65
$b$	7.2884
Standard error of $a$	49.515
Standard error of $b$	.12126
Standard error of the estimate	34.469
$r^2$	.99724

	Hours of Activity	Maintenance Costs
January	480	\$ 4,200
February	320	3,000
March	400	3,600
April	300	2,820
May	500	4,350
June	310	2,960
July	320	3,030
August	520	4,470
September	490	4,260
October	470	4,050
November	350	3,300
December	340	3,160
Sum	4,800	\$43,200
Average	400	\$ 3,600

Question: 85 If Wilkens Company uses the high/low method of analysis, the equation for the relationship between hours of activity and maintenance cost would be

- A.  $y = 400 + 9.0x$
- B.  $y = 3,600 + 400x$
- C.  $y = 570 + 7.5x$
- D.  $y = 570 + 9.0x$

- 68 (4.2.34)
- 69 (4.4.119)
- 70 (4.1.11)
- 71 (4.2.50)
- 72 (4.1.16)
- 73 (4.4.118)
- 74 (4.1.6)
- 75 (4.4.103)
- 76 (4.2.62)
- 77 (4.1.32)
- 78 (4.1.18)
- 79 (4.3.97)
- 80 (4.3.79)
- 81 (4.4.117)
- 82 (4.1.33)
- 83 (4.1.3)
- 84 (4.4.128)
- 85 (4.2.63)
- 86 (4.4.109)

**Question Filters**

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## Session Tools



Grade



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Session



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Time Value Tables  
Tools



Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques

Question: 86 A standard costing system is **most** often used by a firm in conjunction with

- A. Flexible budgets.
- B. Management by objectives.
- C. Participative management programs.
- D. Target (hurdle) rates of return.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 04:08

## Questions:

- 66 (4.2.70)
- 67 (4.1.9)
- 68 (4.2.34)
- 69 (4.4.119)
- 70 (4.1.11)
- 71 (4.2.50)
- 72 (4.1.16)
- 73 (4.4.118)
- 74 (4.1.6)
- 75 (4.4.103)
- 76 (4.2.62)
- 77 (4.1.32)
- 78 (4.1.18)
- 79 (4.3.97)
- 80 (4.3.79)
- 81 (4.4.117)
- 82 (4.1.33)
- 83 (4.1.3)
- 84 (4.4.128)
- 85 (4.2.63)
- 86 (4.4.109)**
- 87 (4.3.91)

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## Question Filters



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- 0 ✓ Correct First Try
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- 0 ✗ Incorrect
- 0 ▼ Marked

## Session Tools



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Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 3: Cost Classification

#### Fact Pattern:

Huron Industries has recently developed two new products, a cleaning unit for video discs and a disc duplicator for reproducing movies taken with a video camera. However, Huron has only enough plant capacity to introduce one of these products during the current year. The company controller has gathered the following data to assist management in deciding which product should be selected for production.

Huron's fixed overhead includes rent and utilities, equipment depreciation, and supervisory salaries. Selling and administrative expenses are not allocated to products.

	Disc Duplicator	Cleaning Unit
Raw materials	\$ 44.00	\$ 36.00
Machining at \$12 per hr.	18.00	15.00
Assembly at \$10 per hr.	30.00	10.00
Variable overhead at \$8 per hr.	36.00	18.00
Fixed overhead at \$4 per hr.	18.00	9.00
Total cost	\$ 146.00	\$ 88.00
Suggested selling price	\$ 169.95	\$ 99.98
Actual research and development costs	\$240,000	\$175,000
Proposed advertising and promotion costs	\$500,000	\$350,000

Question: 87 Research and development costs for Huron's two new products are

- A. Conversion costs.
- B. Sunk costs.
- C. Relevant costs.
- D. Avoidable costs.

#### Questions:

- 67 (4.1.9)
- 68 (4.2.34)
- 69 (4.4.119)
- 70 (4.1.11)
- 71 (4.2.50)
- 72 (4.1.16)
- 73 (4.4.118)
- 74 (4.1.6)
- 75 (4.4.103)
- 76 (4.2.62)
- 77 (4.1.32)
- 78 (4.1.18)
- 79 (4.3.97)
- 80 (4.3.79)
- 81 (4.4.117)
- 82 (4.1.33)
- 83 (4.1.3)
- 84 (4.4.128)
- 85 (4.2.63)
- 86 (4.4.109)
- 87 (4.3.91)
- 88 (4.1.17)

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#### Question Filters



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Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 88 Management accounting differs from financial accounting in that financial accounting is

A. Heavily involved with decision analysis and implementation of decisions.

B. Primarily concerned with nonquantitative information.

C. More oriented toward the future.

D. Primarily concerned with external financial reporting.

A B C D




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Previous Next

Elapsed Time: 04:12

**Questions:**  
68 (4.2.34)  
69 (4.4.119)  
70 (4.1.11)  
71 (4.2.50)  
72 (4.1.16)  
73 (4.4.118)  
74 (4.1.6)  
75 (4.4.103)  
76 (4.2.62)  
77 (4.1.32)  
78 (4.1.18)  
79 (4.3.97)  
80 (4.3.79)  
81 (4.4.117)  
82 (4.1.33)  
83 (4.1.3)  
84 (4.4.128)  
85 (4.2.63)  
86 (4.4.109)  
87 (4.3.91)  
**88 (4.1.17)**  
89 (4.2.48)

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**Question Filters**  
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## Session Tools



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Time Value Tables



Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 89 Management has prepared a graph showing the total costs of operating branch warehouses throughout the country. The cost line crosses the vertical axis at \$200,000. The total cost of operating one branch is \$350,000. The total cost of operating ten branches is \$1,700,000. For purposes of preparing a flexible budget based on the number of branch warehouses in operation, what formula should be used to determine budgeted costs at various levels of activity?

- A.  $Y = \$200,000 + \$170,000X$
- B.  $Y = \$200,000 + \$150,000X$
- C.  $Y = \$350,000 + \$200,000X$
- D.  $Y = \$350,000 + \$150,000X$

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 04:13

## Questions:

- 69 (4.4.119)
- 70 (4.1.11)
- 71 (4.2.50)
- 72 (4.1.16)
- 73 (4.4.118)
- 74 (4.1.6)
- 75 (4.4.103)
- 76 (4.2.62)
- 77 (4.1.32)
- 78 (4.1.18)
- 79 (4.3.97)
- 80 (4.3.79)
- 81 (4.4.117)
- 82 (4.1.33)
- 83 (4.1.3)
- 84 (4.4.128)
- 85 (4.2.63)
- 86 (4.4.109)
- 87 (4.3.91)
- 88 (4.1.17)
- 89 (4.2.48)
- 90 (4.2.77)

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## Question Filters



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- 0 ✗ Incorrect
- 0 ▼ Marked

**Session Tools**

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Calculator

Time Value Tables

Question Properties

Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 90 A manufacturing company is in the process of preparing its flexible budget for next month's manufacturing costs. The company estimates costs within a relevant range of 10,000 to 30,000 units per month. During the last 2 months, electricity costs (a semivariable cost) were \$39,600 for 18,000 units and \$42,000 for 20,000 units. How much should be budgeted for electricity costs to produce 24,000 units?

A. \$44,400

B. \$46,800

C. \$50,400

D. \$52,800

A

B

C

D

Mark For Review

Previous

Next

Elapsed Time: 04:14

Questions:

- 70 (4.1.11)
- 71 (4.2.50)
- 72 (4.1.16)
- 73 (4.4.118)
- 74 (4.1.6)
- 75 (4.4.103)
- 76 (4.2.62)
- 77 (4.1.32)
- 78 (4.1.18)
- 79 (4.3.97)
- 80 (4.3.79)
- 81 (4.4.117)
- 82 (4.1.33)
- 83 (4.1.3)
- 84 (4.4.128)
- 85 (4.2.63)
- 86 (4.4.109)
- 87 (4.3.91)
- 88 (4.1.17)
- 89 (4.2.48)
- 90 (4.2.77)**
- 91 (4.1.20)

**Question Filters**

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- 0 Correct First Try
- 0 Currently Correct
- 0 Incorrect
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### Session Tools



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Time Value Tables



Question Properties

#### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 91 Many companies recognize three major categories of costs of manufacturing a product. These are direct materials, direct labor, and overhead. Which of the following is an overhead cost in the production of an automobile?

- A. The delivery costs for the tires on each automobile.
- B. The cost of small tools used in mounting tires on each automobile.
- C. The cost of the tires on each automobile.
- D. The cost of the laborers who place tires on each automobile.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 04:16

### Questions:

- 71 (4.2.50)
- 72 (4.1.16)
- 73 (4.4.118)
- 74 (4.1.6)
- 75 (4.4.103)
- 76 (4.2.62)
- 77 (4.1.32)
- 78 (4.1.18)
- 79 (4.3.97)
- 80 (4.3.79)
- 81 (4.4.117)
- 82 (4.1.33)
- 83 (4.1.3)
- 84 (4.4.128)
- 85 (4.2.63)
- 86 (4.4.109)
- 87 (4.3.91)
- 88 (4.1.17)
- 89 (4.2.48)
- 90 (4.2.77)
- 91 (4.1.20)**
- 92 (4.2.67)

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### Question Filters



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- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked

## Session Tools



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Calculator



Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 92 A firm operated four sales offices last year. The firm's costs were \$400,000, of which \$60,000 were fixed. The firm's total costs are significantly influenced by the number of sales offices it operates. Using last year's costs as the basis for predicting annual costs, what would the budgeted costs be if the firm operated six sales offices?

- A. \$600,000
- B. \$485,000
- C. \$570,000
- D. \$510,000

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 04:17

## Questions:

- 72 (4.1.16)
- 73 (4.4.118)
- 74 (4.1.6)
- 75 (4.4.103)
- 76 (4.2.62)
- 77 (4.1.32)
- 78 (4.1.18)
- 79 (4.3.97)
- 80 (4.3.79)
- 81 (4.4.117)
- 82 (4.1.33)
- 83 (4.1.3)
- 84 (4.4.128)
- 85 (4.2.63)
- 86 (4.4.109)
- 87 (4.3.91)
- 88 (4.1.17)
- 89 (4.2.48)
- 90 (4.2.77)
- 91 (4.1.20)
- 92 (4.2.67)**
- 93 (4.2.60)

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## Question Filters



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- 0 Correct First Try
- 0 Currently Correct
- 0 Incorrect
- 0 Marked



**Session Tools**

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**Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range**

Question: 93    A company has found that its total electricity cost has both a fixed component and a variable component within the relevant range. The variable component seems to vary directly with the number of units produced. Which one of the following statements concerning electricity cost is **incorrect**?

A. The variable electricity cost per unit of production will remain constant as production volume increases.

B. The fixed electricity cost per unit of production will decline as production volume increases.

C. The total electricity cost per unit of production will increase as production volume increases.

D. The total electricity cost will increase as production volume increases.

A

B

C

D

Mark For Review

Previous
 Next

Elapsed Time: 04:18

**Questions:**

73 (4.4.118)  
74 (4.1.6)  
75 (4.4.103)  
76 (4.2.62)  
77 (4.1.32)  
78 (4.1.18)  
79 (4.3.97)  
80 (4.3.79)  
81 (4.4.117)  
82 (4.1.33)  
83 (4.1.3)  
84 (4.4.128)  
85 (4.2.63)  
86 (4.4.109)  
87 (4.3.91)  
88 (4.1.17)  
89 (4.2.48)  
90 (4.2.77)  
91 (4.1.20)  
92 (4.2.67)  
**93 (4.2.60)**  
94 (4.4.124)

**Question Filters**

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## Tools

77 (4.1.32)  
78 (4.1.18)  
79 (4.3.97)  
80 (4.3.79)  
81 (4.4.117)  
82 (4.1.33)  
83 (4.1.3)  
84 (4.4.128)  
85 (4.2.63)  
86 (4.4.109)  
87 (4.3.91)  
88 (4.1.17)  
89 (4.2.48)  
90 (4.2.77)  
91 (4.1.20)  
92 (4.2.67)  
93 (4.2.60)  
**94 (4.4.124)**  
95 (4.2.40)

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## Question Filters

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A. \$22,500  
B. \$31,000  
C. \$21,500  
D. \$28,000

Session Tools  
 Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

**Fact Pattern:** A company wants to determine its marketing costs for budgeting purposes. Activity measures and costs incurred for 4 months of the current year are presented in the table below. Advertising is considered to be a discretionary cost. Salespersons are paid monthly salaries plus commissions. The sales force was increased from 20 to 21 individuals during the month of May.

	March	April	May	June
Activity measures:				
Sales orders	2,000	1,800	2,400	2,300
Units sold	55,000	60,000	70,000	65,000
Dollar sales	\$1,150,000	\$1,200,000	\$1,330,000	\$1,275,000
Marketing costs:				
Advertising	\$ 190,000	\$ 200,000	\$ 190,000	\$ 190,000
Sales salaries	20,000	20,000	21,000	21,000
Commissions	23,000	24,000	26,600	25,500
Shipping costs	93,000	100,000	114,000	107,000
Total costs	<u>\$ 326,000</u>	<u>\$ 344,000</u>	<u>\$ 351,600</u>	<u>\$ 343,500</u>

Question: 95 Which of the following **most** appropriately describes the classification and behavior of shipping costs?

Classification	Behavior
A. Variable cost	\$1.66 per unit sold
B. Mixed cost	\$30,000 per month plus \$35.00 per sales order
C. Mixed cost	\$16,000 per month plus \$1.40 per unit sold
D. Mixed cost	\$58,000 per month plus \$23.33 per sales order

- 78 (4.1.18)
- 79 (4.3.97)
- 80 (4.3.79)
- 81 (4.4.117)
- 82 (4.1.33)
- 83 (4.1.3)
- 84 (4.4.128)
- 85 (4.2.63)
- 86 (4.4.109)
- 87 (4.3.91)
- 88 (4.1.17)
- 89 (4.2.48)
- 90 (4.2.77)
- 91 (4.1.20)
- 92 (4.2.67)
- 93 (4.2.60)
- 94 (4.4.124)
- 95 (4.2.40)
- 96 (4.4.110)

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Question Filters

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## Session Tools



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Session



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Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques

Question: 96 Which of the following statements is **true** for a firm that uses variable costing?

- A. An idle facility variation is calculated.
- B. The cost of a unit of product changes because of changes in number of units manufactured.
- C. Profits fluctuate with sales.
- D. Product costs include variable administrative costs.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 04:59

## Questions:

- 75 (4.4.103)
- 76 (4.2.62)
- 77 (4.1.32)
- 78 (4.1.18)
- 79 (4.3.97)
- 80 (4.3.79)
- 81 (4.4.117)
- 82 (4.1.33)
- 83 (4.1.3)
- 84 (4.4.128)
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- 86 (4.4.109)
- 87 (4.3.91)
- 88 (4.1.17)
- 89 (4.2.48)
- 90 (4.2.77)
- 91 (4.1.20)
- 92 (4.2.67)
- 93 (4.2.60)
- 94 (4.4.124)
- 95 (4.2.40)
- 96 (4.4.110)**

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## Question Filters



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### Session Tools



Grade



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Calculator



Time Value Tables



Question Properties

Tools

#### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 97 A cost that always can be directly traced to a cost object is

- A. An indirect cost.
- B. A conversion cost.
- C. A prime cost.
- D. A variable cost.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:00

#### Questions:

- 76 (4.2.62)
- 77 (4.1.32)
- 78 (4.1.18)
- 79 (4.3.97)
- 80 (4.3.79)
- 81 (4.4.117)
- 82 (4.1.33)
- 83 (4.1.3)
- 84 (4.4.128)
- 85 (4.2.63)
- 86 (4.4.109)
- 87 (4.3.91)
- 88 (4.1.17)
- 89 (4.2.48)
- 90 (4.2.77)
- 91 (4.1.20)
- 92 (4.2.67)
- 93 (4.2.60)
- 94 (4.4.124)
- 95 (4.2.40)
- 96 (4.4.110)
- 97 (4.1.23)

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#### Question Filters



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### Session Tools



Grade



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Time Value Tables



Question Properties

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Tools

#### Study Unit 4: Cost Management Concepts | Subunit 3: Cost Classification

Question: 98 Products of relatively small total value that are produced simultaneously from a common manufacturing process with products of greater value and quantity are

- A. Abnormal spoilage.
- B. Waste.
- C. By-products.
- D. Scrap.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:02

#### Questions:

- 77 (4.1.32)
- 78 (4.1.18)
- 79 (4.3.97)
- 80 (4.3.79)
- 81 (4.4.117)
- 82 (4.1.33)
- 83 (4.1.3)
- 84 (4.4.128)
- 85 (4.2.63)
- 86 (4.4.109)
- 87 (4.3.91)
- 88 (4.1.17)
- 89 (4.2.48)
- 90 (4.2.77)
- 91 (4.1.20)
- 92 (4.2.67)
- 93 (4.2.60)
- 94 (4.4.124)
- 95 (4.2.40)
- 96 (4.4.110)
- 97 (4.1.23)
- 98 (4.3.96)

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#### Question Filters



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- 0 ✓ Correct First Try
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- 0 ✗ Incorrect
- 0 ▼ Marked

### Session Tools



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Time Value Tables



Question Properties

Tools

#### Study Unit 4: Cost Management Concepts | Subunit 3: Cost Classification

Question: 99 The amount of raw materials left over from a production process or production cycle for which there is no further use is

- A. Waste.
- B. Abnormal spoilage.
- C. Normal spoilage.
- D. Scrap.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:09

#### Questions:

78 (4.1.18)  
79 (4.3.97)  
80 (4.3.79)  
81 (4.4.117)  
82 (4.1.33)  
83 (4.1.3)  
84 (4.4.128)  
85 (4.2.63)  
86 (4.4.109)  
87 (4.3.91)  
88 (4.1.17)  
89 (4.2.48)  
90 (4.2.77)  
91 (4.1.20)  
92 (4.2.67)  
93 (4.2.60)  
94 (4.4.124)  
95 (4.2.40)  
96 (4.4.110)  
97 (4.1.23)  
98 (4.3.96)  
99 (4.3.80)

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#### Question Filters



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## Session Tools



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Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 100 A conglomerate outsources the cleaning of its theaters. The cleaning vendor's charges are based upon the total hours needed to clean the facilities, and more cleaning time is needed as more people attend the theater. The conglomerate has accumulated the following historical data.

Month	Cleaning Cost	Number of Theater Tickets Sold
April	\$11,000	19,700
May	9,000	17,000
June	15,600	28,000
July	15,000	29,000

The conglomerate anticipates selling 25,000 theater tickets in August. If the conglomerate uses the high-low method of separating costs into their fixed and variable components, the conglomerate's budget for August cleaning costs would be

- A. \$13,500
- B. \$13,400
- C. \$13,800
- D. \$13,000

## Questions:

- 79 (4.3.97)
- 80 (4.3.79)
- 81 (4.4.117)
- 82 (4.1.33)
- 83 (4.1.3)
- 84 (4.4.128)
- 85 (4.2.63)
- 86 (4.4.109)
- 87 (4.3.91)
- 88 (4.1.17)
- 89 (4.2.48)
- 90 (4.2.77)
- 91 (4.1.20)
- 92 (4.2.67)
- 93 (4.2.60)
- 94 (4.4.124)
- 95 (4.2.40)
- 96 (4.4.110)
- 97 (4.1.23)
- 98 (4.3.96)
- 99 (4.3.80)

100 (4.2.72)

## Question Filters



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Study Session

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Question Properties

Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques

Question: 101

Which method of inventory costing treats direct manufacturing costs and manufacturing overhead costs, both variable and fixed, as inventoriable costs?

A. Direct costing.

B. Variable costing.

C. Conversion costing.

D. Absorption costing.

A

B

C

D

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Elapsed Time: 05:12

Questions:

80 (4.3.79)

81 (4.4.117)

82 (4.1.33)

83 (4.1.3)

84 (4.4.128)

85 (4.2.63)

86 (4.4.109)

87 (4.3.91)

88 (4.1.17)

89 (4.2.48)

90 (4.2.77)

91 (4.1.20)

92 (4.2.67)

93 (4.2.60)

94 (4.4.124)

95 (4.2.40)

96 (4.4.110)

97 (4.1.23)

98 (4.3.96)

99 (4.3.80)

100 (4.2.72)

**101 (4.4.111)**

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Question Filters

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### Session Tools



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Time Value Tables



Question Properties

Tools

#### Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques

Question: 102 Companies characterized by the production of basically homogeneous products will most likely use which of the following methods for the purpose of averaging costs and providing management with unit-cost data?

- A. Absorption costing.
- B. Job-order costing.
- C. Process costing.
- D. Direct costing.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:14

#### Questions:

- 81 (4.4.117)
- 82 (4.1.33)
- 83 (4.1.3)
- 84 (4.4.128)
- 85 (4.2.63)
- 86 (4.4.109)
- 87 (4.3.91)
- 88 (4.1.17)
- 89 (4.2.48)
- 90 (4.2.77)
- 91 (4.1.20)
- 92 (4.2.67)
- 93 (4.2.60)
- 94 (4.4.124)
- 95 (4.2.40)
- 96 (4.4.110)
- 97 (4.1.23)
- 98 (4.3.96)
- 99 (4.3.80)
- 100 (4.2.72)
- 101 (4.4.111)
- 102 (4.4.115)**

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#### Question Filters



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## Session Tools



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Time Value Tables



Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 103 A company is determining the cost behavior of several items in order to budget for the upcoming year. Past trends have indicated the following dollars were spent at three different levels of output:

	Unit Levels		
	10,000	12,000	15,000
Cost A	\$25,000	\$29,000	\$35,000
Cost B	10,000	15,000	15,000
Cost C	15,000	18,000	22,500

In establishing a budget for 14,000 units, the company should treat Costs A, B, and C, respectively, as

- A. Variable, fixed, and variable.
- B. Variable, semivariable, and semivariable.
- C. Semivariable, semivariable, and semivariable.
- D. Semivariable, fixed, and variable.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:15

## Questions:

- 82 (4.1.33)
- 83 (4.1.3)
- 84 (4.4.128)
- 85 (4.2.63)
- 86 (4.4.109)
- 87 (4.3.91)
- 88 (4.1.17)
- 89 (4.2.48)
- 90 (4.2.77)
- 91 (4.1.20)
- 92 (4.2.67)
- 93 (4.2.60)
- 94 (4.4.124)
- 95 (4.2.40)
- 96 (4.4.110)
- 97 (4.1.23)
- 98 (4.3.96)
- 99 (4.3.80)
- 100 (4.2.72)
- 101 (4.4.111)
- 102 (4.4.115)
- 103 (4.2.53)**

## Question Filters



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- 0 ✓ Correct First Try
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## Session Tools



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Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 3: Cost Classification

Question: 104 Controllable costs are costs that

- A. Fluctuate in total in response to small changes in the rate of utilization of capacity.
- B. Will be unaffected by current managerial decisions.
- C. Are likely to respond to the amount of attention devoted to them by a specified manager.
- D. Management decides to incur in the current period to enable the company to achieve objectives other than the filling of orders placed by customers.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:16

## Questions:

- 83 (4.1.3)
- 84 (4.4.128)
- 85 (4.2.63)
- 86 (4.4.109)
- 87 (4.3.91)
- 88 (4.1.17)
- 89 (4.2.48)
- 90 (4.2.77)
- 91 (4.1.20)
- 92 (4.2.67)
- 93 (4.2.60)
- 94 (4.4.124)
- 95 (4.2.40)
- 96 (4.4.110)
- 97 (4.1.23)
- 98 (4.3.96)
- 99 (4.3.80)
- 100 (4.2.72)
- 101 (4.4.111)
- 102 (4.4.115)
- 103 (4.2.53)
- 104 (4.3.82)**

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## Question Filters



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**Session Tools**

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**Tools**

Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 105 A company produces a product that contains 9 ounces of materials in each unit of finished goods. During the production process, 4% of the materials evaporate. The company pays its suppliers \$2 per ounce; the cost to ship the material to the company averages \$0.20 per ounce. The standard dollar amount of raw materials contained in one unit of finished goods is

A. \$20.59

B. \$19.80

C. \$20.63

D. \$18.75

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Questions:
 

84 (4.4.128)  
 85 (4.2.63)  
 86 (4.4.109)  
 87 (4.3.91)  
 88 (4.1.17)  
 89 (4.2.48)  
 90 (4.2.77)  
 91 (4.1.20)  
 92 (4.2.67)  
 93 (4.2.60)  
 94 (4.4.124)  
 95 (4.2.40)  
 96 (4.4.110)  
 97 (4.1.23)  
 98 (4.3.96)  
 99 (4.3.80)  
 100 (4.2.72)  
 101 (4.4.111)  
 102 (4.4.115)  
 103 (4.2.53)  
 104 (4.3.82)  
**105 (4.2.71)**

**Question Filters**

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A

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C

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Elapsed Time: 05:18

### Session Tools



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Question Properties

Tools

#### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 106 A fixed cost that would be considered a direct cost is

- A. The rental cost of a warehouse to store inventory when the cost objective is the Purchasing Department.
- B. Board of directors' fees when the cost objective is the Marketing Department.
- C. A production supervisor's salary when the cost objective is the Production Department.
- D. A cost accountant's salary when the cost objective is a unit of product.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:19

#### Questions:

- 85 (4.2.63)
- 86 (4.4.109)
- 87 (4.3.91)
- 88 (4.1.17)
- 89 (4.2.48)
- 90 (4.2.77)
- 91 (4.1.20)
- 92 (4.2.67)
- 93 (4.2.60)
- 94 (4.4.124)
- 95 (4.2.40)
- 96 (4.4.110)
- 97 (4.1.23)
- 98 (4.3.96)
- 99 (4.3.80)
- 100 (4.2.72)
- 101 (4.4.111)
- 102 (4.4.115)
- 103 (4.2.53)
- 104 (4.3.82)
- 105 (4.2.71)
- 106 (4.2.52)**

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#### Question Filters



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**Session Tools**

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Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 107 A company has discovered that the cost of processing customer invoices is strictly variable within the relevant range. Which one of the following statements concerning the cost of processing customer invoices is **incorrect**?

A. The cost per unit for processing customer invoices will decline as the volume of customer invoices increases.

B. The cost of processing the 100th customer invoice will be the same as the cost of processing the first customer invoice.

C. The total cost of processing customer invoices will increase as the volume of customer invoices increases.

D. The average cost per unit for processing a customer invoice will equal the incremental cost of processing one more customer invoice.

A B C D

Mark For Review

Previous

Next

Elapsed Time: 05:20

Questions:

86 (4.4.109)  
87 (4.3.91)  
88 (4.1.17)  
89 (4.2.48)  
90 (4.2.77)  
91 (4.1.20)  
92 (4.2.67)  
93 (4.2.60)  
94 (4.4.124)  
95 (4.2.40)  
96 (4.4.110)  
97 (4.1.23)  
98 (4.3.96)  
99 (4.3.80)  
100 (4.2.72)  
101 (4.4.111)  
102 (4.4.115)  
103 (4.2.53)  
104 (4.3.82)  
105 (4.2.71)  
106 (4.2.52)  
**107 (4.2.57)**

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**Question Filters**

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### Session Tools



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Time Value Tables



Question Properties

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#### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 108 A company uses the following formula for annual maintenance costs:  
Total cost = \$6,000 + \$0.70 per machine hour  
The current month's budget is based on planned machine time of 30,000 hours. Monthly maintenance cost included in this budget is

- A. \$21,500
- B. \$21,000
- C. \$20,500
- D. \$27,000

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:22

#### Questions:

- 87 (4.3.91)
- 88 (4.1.17)
- 89 (4.2.48)
- 90 (4.2.77)
- 91 (4.1.20)
- 92 (4.2.67)
- 93 (4.2.60)
- 94 (4.4.124)
- 95 (4.2.40)
- 96 (4.4.110)
- 97 (4.1.23)
- 98 (4.3.96)
- 99 (4.3.80)
- 100 (4.2.72)
- 101 (4.4.111)
- 102 (4.4.115)
- 103 (4.2.53)
- 104 (4.3.82)
- 105 (4.2.71)
- 106 (4.2.52)
- 107 (4.2.57)
- 108 (4.2.46)

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#### Question Filters



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## Session Tools



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Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

- Question: 109 A company experienced a machinery breakdown on one of its production lines. As a consequence of the breakdown, manufacturing fell behind schedule, and a decision was made to schedule overtime to return manufacturing to schedule. Which one of the following methods is the proper way to account for the overtime paid to the direct laborers?
- A. The overtime hours times the sum of the straight-time wages and overtime premium would be charged entirely to manufacturing overhead.
  - B. The overtime hours times the sum of the straight-time wages and overtime premium would be treated as direct labor.
  - C. The overtime hours times the overtime premium would be charged to manufacturing overhead, and the overtime hours times the straight-time wages would be treated as direct labor.
  - D. The overtime hours times the overtime premium would be charged to repair and maintenance expense, and the overtime hours times the straight-time wages would be treated as direct labor.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:23

## Questions:

- 88 (4.1.17)
- 89 (4.2.48)
- 90 (4.2.77)
- 91 (4.1.20)
- 92 (4.2.67)
- 93 (4.2.60)
- 94 (4.4.124)
- 95 (4.2.40)
- 96 (4.4.110)
- 97 (4.1.23)
- 98 (4.3.96)
- 99 (4.3.80)
- 100 (4.2.72)
- 101 (4.4.111)
- 102 (4.4.115)
- 103 (4.2.53)
- 104 (4.3.82)
- 105 (4.2.71)
- 106 (4.2.52)
- 107 (4.2.57)
- 108 (4.2.46)
- 109 (4.1.21)**

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## Question Filters



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- 0 ✗ Incorrect
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### Session Tools



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Time Value Tables



Question Properties

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#### Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques

Question: 110 A company manufactures clocks and sells each clock for \$30. Variable manufacturing expense for each clock is \$18. The company plans to sell 400 clocks this month and anticipates incurring \$2,600 of fixed expenses. What will be the company's total contribution margin this month?

- A. \$2,200
- B. \$12,000
- C. \$7,200
- D. \$4,800

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:25

#### Questions:

- 89 (4.2.48)
- 90 (4.2.77)
- 91 (4.1.20)
- 92 (4.2.67)
- 93 (4.2.60)
- 94 (4.4.124)
- 95 (4.2.40)
- 96 (4.4.110)
- 97 (4.1.23)
- 98 (4.3.96)
- 99 (4.3.80)
- 100 (4.2.72)
- 101 (4.4.111)
- 102 (4.4.115)
- 103 (4.2.53)
- 104 (4.3.82)
- 105 (4.2.71)
- 106 (4.2.52)
- 107 (4.2.57)
- 108 (4.2.46)
- 109 (4.1.21)
- 110 (4.4.120)**

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#### Question Filters



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## Session Tools



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Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques

Question: 111 An accounting system that collects financial and operating data on the basis of the underlying nature and extent of the cost drivers is

- A. Direct costing.
- B. Cycle-time costing.
- C. Activity-based costing.
- D. Variable costing.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:26

## Questions:

- 90 (4.2.77)
- 91 (4.1.20)
- 92 (4.2.67)
- 93 (4.2.60)
- 94 (4.4.124)
- 95 (4.2.40)
- 96 (4.4.110)
- 97 (4.1.23)
- 98 (4.3.96)
- 99 (4.3.80)
- 100 (4.2.72)
- 101 (4.4.111)
- 102 (4.4.115)
- 103 (4.2.53)
- 104 (4.3.82)
- 105 (4.2.71)
- 106 (4.2.52)
- 107 (4.2.57)
- 108 (4.2.46)
- 109 (4.1.21)
- 110 (4.4.120)
- 111 (4.4.107)**

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## Question Filters



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## Session Tools



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Time Value Tables



Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 112 A review of accounting records for last year disclosed the following selected information:

Variable costs:

Direct materials used	\$ 56,000
Direct labor	179,100
Manufacturing overhead	154,000
Selling costs	108,400

Fixed costs:

Manufacturing overhead	267,000
Selling costs	121,000
Administrative costs	235,900

In addition, the company suffered a \$27,700 uninsured factory fire loss during the year. Under absorption costing, what were the product costs and period costs for last year?

	Product	Period
A.	\$235,100	\$914,000
B.	\$683,800	\$465,300
C.	\$497,500	\$651,600
D.	\$656,100	\$493,000

## Questions:

- 91 (4.1.20)
- 92 (4.2.67)
- 93 (4.2.60)
- 94 (4.4.124)
- 95 (4.2.40)
- 96 (4.4.110)
- 97 (4.1.23)
- 98 (4.3.96)
- 99 (4.3.80)
- 100 (4.2.72)
- 101 (4.4.111)
- 102 (4.4.115)
- 103 (4.2.53)
- 104 (4.3.82)
- 105 (4.2.71)
- 106 (4.2.52)
- 107 (4.2.57)
- 108 (4.2.46)
- 109 (4.1.21)
- 110 (4.4.120)
- 111 (4.4.107)
- 112 (4.1.29)**

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## Question Filters



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### Session Tools



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Question Properties

Tools

#### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 113 A company reported the following cost information for the last fiscal year when it produced 100,000 units.

Direct labor	\$200,000
Direct materials	100,000
Manufacturing overhead	200,000
Selling and administrative expenses	150,000

All costs are variable except for \$100,000 of manufacturing overhead and \$100,000 of selling and administrative expenses. Using flexible budgeting, what are the total costs associated with producing and selling 110,000 units?

- A. \$695,000
- B. \$650,000
- C. \$450,000
- D. \$715,000

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:28

### Questions:

- 92 (4.2.67)
- 93 (4.2.60)
- 94 (4.4.124)
- 95 (4.2.40)
- 96 (4.4.110)
- 97 (4.1.23)
- 98 (4.3.96)
- 99 (4.3.80)
- 100 (4.2.72)
- 101 (4.4.111)
- 102 (4.4.115)
- 103 (4.2.53)
- 104 (4.3.82)
- 105 (4.2.71)
- 106 (4.2.52)
- 107 (4.2.57)
- 108 (4.2.46)
- 109 (4.1.21)
- 110 (4.4.120)
- 111 (4.4.107)
- 112 (4.1.29)

113 (4.2.74)

### Question Filters



Unanswered



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Incorrect

No filters enabled

- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked

## Session Tools



Grade



Discard  
Session



Pause



Calculator



Time Value Tables



Question Properties

### Tools

## Study Unit 4: Cost Management Concepts | Subunit 3: Cost Classification

### Fact Pattern:

Huron Industries has recently developed two new products, a cleaning unit for video discs and a disc duplicator for reproducing movies taken with a video camera. However, Huron has only enough plant capacity to introduce one of these products during the current year. The company controller has gathered the following data to assist management in deciding which product should be selected for production.

Huron's fixed overhead includes rent and utilities, equipment depreciation, and supervisory salaries. Selling and administrative expenses are not allocated to products.

	Disc Duplicator	Cleaning Unit
Raw materials	\$ 44.00	\$ 36.00
Machining at \$12 per hr.	18.00	15.00
Assembly at \$10 per hr.	30.00	10.00
Variable overhead at \$8 per hr.	36.00	18.00
Fixed overhead at \$4 per hr.	18.00	9.00
Total cost	\$ 146.00	\$ 88.00
Suggested selling price	\$ 169.95	\$ 99.98
Actual research and development costs	\$240,000	\$175,000
Proposed advertising and promotion costs	\$500,000	\$350,000

Question: 114 The total overhead cost of \$27.00 for Huron's video disc cleaning unit is a

- A. Sunk cost.
- B. Mixed cost.
- C. Discretionary cost.
- D. Carrying cost.

### Questions:

- 93 (4.2.60)
- 94 (4.4.124)
- 95 (4.2.40)
- 96 (4.4.110)
- 97 (4.1.23)
- 98 (4.3.96)
- 99 (4.3.80)
- 100 (4.2.72)
- 101 (4.4.111)
- 102 (4.4.115)
- 103 (4.2.53)
- 104 (4.3.82)
- 105 (4.2.71)
- 106 (4.2.52)
- 107 (4.2.57)
- 108 (4.2.46)
- 109 (4.1.21)
- 110 (4.4.120)
- 111 (4.4.107)
- 112 (4.1.29)
- 113 (4.2.74)
- 114 (4.3.90)

Hide

### Question Filters



Unanswered



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## Session Tools



Grade



Discard  
Session



Pause



Calculator



Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 115 The **least** exact method for separating fixed and variable costs is

- A. Matrix algebra.
- B. The high-low method.
- C. Computer simulation.
- D. The least squares method.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:32

## Questions:

- 94 (4.4.124)
- 95 (4.2.40)
- 96 (4.4.110)
- 97 (4.1.23)
- 98 (4.3.96)
- 99 (4.3.80)
- 100 (4.2.72)
- 101 (4.4.111)
- 102 (4.4.115)
- 103 (4.2.53)
- 104 (4.3.82)
- 105 (4.2.71)
- 106 (4.2.52)
- 107 (4.2.57)
- 108 (4.2.46)
- 109 (4.1.21)
- 110 (4.4.120)
- 111 (4.4.107)
- 112 (4.1.29)
- 113 (4.2.74)
- 114 (4.3.90)
- 115 (4.2.64)**

Hide

## Question Filters



Unanswered



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Incorrect

No filters enabled

- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked

## Session Tools



Grade



Discard  
Session



Pause



Calculator



Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 116 A company prepares a budget each month for manufacturing costs. Formulas have been developed for all costs within a relevant range of 5,000 to 15,000 units per month. The budget for electricity (a semivariable cost) is \$19,800 at 9,000 units per month, and \$21,000 at 10,000 units per month. How much should be budgeted for electricity for the coming month if 12,000 units are to be produced?

- A. \$26,400
- B. \$22,200
- C. \$25,200
- D. \$23,400

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:33

## Questions:

- 95 (4.2.40)
- 96 (4.4.110)
- 97 (4.1.23)
- 98 (4.3.96)
- 99 (4.3.80)
- 100 (4.2.72)
- 101 (4.4.111)
- 102 (4.4.115)
- 103 (4.2.53)
- 104 (4.3.82)
- 105 (4.2.71)
- 106 (4.2.52)
- 107 (4.2.57)
- 108 (4.2.46)
- 109 (4.1.21)
- 110 (4.4.120)
- 111 (4.4.107)
- 112 (4.1.29)
- 113 (4.2.74)
- 114 (4.3.90)
- 115 (4.2.64)
- 116 (4.2.65)**

Hide

## Question Filters



Unanswered



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- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked



## Session Tools



Grade



Discard  
Session



Pause



Calculator



Time Value Tables  
Tools



Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 3: Cost Classification

Question: 117 Committed costs are

- A. Costs that are governed mainly by past decisions that established the present levels of operating and organizational capacity and that only change slowly in response to small changes in capacity.
- B. Amortization of costs that were capitalized in previous periods.
- C. Costs that are likely to respond to the amount of attention devoted to them by a specified manager.
- D. Costs that management decides to incur in the current period to enable the company to achieve objectives other than the filling of orders placed by customers.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:34

## Questions:

- 96 (4.4.110)
- 97 (4.1.23)
- 98 (4.3.96)
- 99 (4.3.80)
- 100 (4.2.72)
- 101 (4.4.111)
- 102 (4.4.115)
- 103 (4.2.53)
- 104 (4.3.82)
- 105 (4.2.71)
- 106 (4.2.52)
- 107 (4.2.57)
- 108 (4.2.46)
- 109 (4.1.21)
- 110 (4.4.120)
- 111 (4.4.107)
- 112 (4.1.29)
- 113 (4.2.74)
- 114 (4.3.90)
- 115 (4.2.64)
- 116 (4.2.65)
- 117 (4.3.83)**

Hide

## Question Filters



Unanswered



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No filters enabled

- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked

## Session Tools



Grade



Discard  
Session



Pause



Calculator



Time Value Tables



Question Properties

Tools

### Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques

Question: 118 Fixed manufacturing overhead costs totaled \$150,000 and variable selling costs totaled \$75,000. How should these costs be classified under variable costing?

- A. \$225,000 period costs; \$0 product costs.
- B. \$75,000 period costs; \$150,000 product costs.
- C. \$150,000 period costs; \$75,000 product costs.
- D. \$0 period costs; \$225,000 product costs.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:36

## Questions:

- 97 (4.1.23)
- 98 (4.3.96)
- 99 (4.3.80)
- 100 (4.2.72)
- 101 (4.4.111)
- 102 (4.4.115)
- 103 (4.2.53)
- 104 (4.3.82)
- 105 (4.2.71)
- 106 (4.2.52)
- 107 (4.2.57)
- 108 (4.2.46)
- 109 (4.1.21)
- 110 (4.4.120)
- 111 (4.4.107)
- 112 (4.1.29)
- 113 (4.2.74)
- 114 (4.3.90)
- 115 (4.2.64)
- 116 (4.2.65)
- 117 (4.3.83)
- 118 (4.4.122)**

Hide

## Question Filters



Unanswered



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No filters enabled

- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked

**Session Tools**

Grade
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Calculator
 Time Value Tables
 Question Properties

**Study Unit 4: Cost Management Concepts | Subunit 4: Costing Techniques**

Question: 119 A standard-cost system may be used in

	Process Costing	Job-Order Costing	Activity-Based Costing
A. Yes	Yes	Yes	Yes
B. No	No	Yes	No
C. Yes	Yes	No	Yes
D. No	No	No	No

A

B

C

D

Mark For Review

Previous
 Next

Elapsed Time: 05:37

**Questions:**

- 98 (4.3.96)
- 99 (4.3.80)
- 100 (4.2.72)
- 101 (4.4.111)
- 102 (4.4.115)
- 103 (4.2.53)
- 104 (4.3.82)
- 105 (4.2.71)
- 106 (4.2.52)
- 107 (4.2.57)
- 108 (4.2.46)
- 109 (4.1.21)
- 110 (4.4.120)
- 111 (4.4.107)
- 112 (4.1.29)
- 113 (4.2.74)
- 114 (4.3.90)
- 115 (4.2.64)
- 116 (4.2.65)
- 117 (4.3.83)
- 118 (4.4.122)
- 119 (4.4.116)**

**Question Filters**

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## Session Tools



Grade



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Session



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Calculator



Time Value Tables



Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 3: Cost Classification

Question: 120 A joint process is a manufacturing operation yielding two or more identifiable products from the resources employed in the process. The two characteristics that identify a product generated from this type of process as a joint product are that it

- A. Is identifiable as an individual product before the production process, and it has relatively significant physical volume when compared with the other products.
- B. Has relatively significant physical volume when compared with the other products, and it can be sold immediately without any additional processing.
- C. Is identifiable as an individual product only upon reaching the split-off point, and it has relatively minor sales value when compared to the other products.
- D. Is identifiable as an individual product only upon reaching the split-off point, and it has relatively significant sales value when compared with the other products.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:38

## Questions:

- 99 (4.3.80)
- 100 (4.2.72)
- 101 (4.4.111)
- 102 (4.4.115)
- 103 (4.2.53)
- 104 (4.3.82)
- 105 (4.2.71)
- 106 (4.2.52)
- 107 (4.2.57)
- 108 (4.2.46)
- 109 (4.1.21)
- 110 (4.4.120)
- 111 (4.4.107)
- 112 (4.1.29)
- 113 (4.2.74)
- 114 (4.3.90)
- 115 (4.2.64)
- 116 (4.2.65)
- 117 (4.3.83)
- 118 (4.4.122)
- 119 (4.4.116)
- 120 (4.3.98)**

Hide

## Question Filters



Unanswered



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No filters enabled

- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked

**Session Tools**

Grade

Discard Session

Pause

Calculator

Time Value Tables

Question Properties

**Tools**

Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 121 A computer company charges indirect manufacturing costs to a project at a fixed percentage of a cost pool. This project is covered by a cost-plus government contract. Which of the following is an appropriate guideline for determining how costs are assigned to the pool?

A. Establish separate pools for variable and fixed costs.

B. Assign prime costs and variable administrative costs to the same pool.

C. Establish a separate pool for each assembly line worker to account for wages.

D. Assign all manufacturing costs related to the project to the same pool.

Hide

Questions:
 

100 (4.2.72)  
 101 (4.4.111)  
 102 (4.4.115)  
 103 (4.2.53)  
 104 (4.3.82)  
 105 (4.2.71)  
 106 (4.2.52)  
 107 (4.2.57)  
 108 (4.2.46)  
 109 (4.1.21)  
 110 (4.4.120)  
 111 (4.4.107)  
 112 (4.1.29)  
 113 (4.2.74)  
 114 (4.3.90)  
 115 (4.2.64)  
 116 (4.2.65)  
 117 (4.3.83)  
 118 (4.4.122)  
 119 (4.4.116)  
 120 (4.3.98)  
**121 (4.1.26)**

**Question Filters**

Unanswered
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No filters enabled

0 Correct First Try  
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 0 Incorrect  
 0 Marked

A

B

C

D

Mark For Review

Previous

Next

Elapsed Time: 05:39

**Session Tools**

Grade
 Discard Session
 Pause

Calculator
 Time Value Tables
 Question Properties

**Tools**

Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 122 A company has the following budget formula for annual electricity expense in its shop:

$$\text{Expense} = \$7,200 + (\text{Units produced} \times \$0.60)$$

If management expects to produce 20,000 units during February, for the purpose of performance evaluation, what amount of expenses should the company expect to incur in February?

A. \$12,000  
 B. \$12,600  
 C. \$19,200  
 D. \$7,200

A B C D

Mark For Review

Previous Next

Elapsed Time: 05:41

Questions:
 

101 (4.4.111)  
 102 (4.4.115)  
 103 (4.2.53)  
 104 (4.3.82)  
 105 (4.2.71)  
 106 (4.2.52)  
 107 (4.2.57)  
 108 (4.2.46)  
 109 (4.1.21)  
 110 (4.4.120)  
 111 (4.4.107)  
 112 (4.1.29)  
 113 (4.2.74)  
 114 (4.3.90)  
 115 (4.2.64)  
 116 (4.2.65)  
 117 (4.3.83)  
 118 (4.4.122)  
 119 (4.4.116)  
 120 (4.3.98)  
 121 (4.1.26)  
**122 (4.2.44)**

**Question Filters**

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No filters enabled

0 Correct First Try  
 0 Currently Correct  
 0 Incorrect  
 0 Marked

### Session Tools



Grade



Discard  
Session



Pause



Calculator



Time Value Tables



Question Properties

Tools

#### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 123 Which one of the following categories of cost is most likely **not** considered a component of fixed factory overhead?

- A. Depreciation.
- B. Rent.
- C. Property taxes.
- D. Power.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:42

#### Questions:

- 102 (4.4.115)
- 103 (4.2.53)
- 104 (4.3.82)
- 105 (4.2.71)
- 106 (4.2.52)
- 107 (4.2.57)
- 108 (4.2.46)
- 109 (4.1.21)
- 110 (4.4.120)
- 111 (4.4.107)
- 112 (4.1.29)
- 113 (4.2.74)
- 114 (4.3.90)
- 115 (4.2.64)
- 116 (4.2.65)
- 117 (4.3.83)
- 118 (4.4.122)
- 119 (4.4.116)
- 120 (4.3.98)
- 121 (4.1.26)
- 122 (4.2.44)
- 123 (4.2.38)**

Hide

#### Question Filters



Unanswered



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No filters enabled

- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked

## Session Tools



Grade



Discard



Pause



Calculator



Time Value Tables



Question Properties

Session

Tools

### Study Unit 4: Cost Management Concepts | Subunit 3: Cost Classification

Question: 124 The cost associated with abnormal spoilage ordinarily is charged to

- A. A special loss account.
- B. Inventory.
- C. A material variance account.
- D. Manufacturing overhead.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:43

## Questions:

- 103 (4.2.53)
- 104 (4.3.82)
- 105 (4.2.71)
- 106 (4.2.52)
- 107 (4.2.57)
- 108 (4.2.46)
- 109 (4.1.21)
- 110 (4.4.120)
- 111 (4.4.107)
- 112 (4.1.29)
- 113 (4.2.74)
- 114 (4.3.90)
- 115 (4.2.64)
- 116 (4.2.65)
- 117 (4.3.83)
- 118 (4.4.122)
- 119 (4.4.116)
- 120 (4.3.98)
- 121 (4.1.26)
- 122 (4.2.44)
- 123 (4.2.38)
- 124 (4.3.81)**

Hide

## Question Filters



Unanswered



Marked



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No filters enabled

- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked



## Session Tools



Grade



Discard  
Session



Pause



Calculator



Time Value Tables



Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 3: Cost Classification

Question: 125 Discretionary costs are costs that

- A. Management decides to incur in the current period to enable the company to achieve objectives other than the filling of orders placed by customers.
- B. Are governed mainly by past decisions that established the present levels of operating and organizational capacity and that only change slowly in response to small changes in capacity.
- C. Will be unaffected by current managerial decisions.
- D. Are likely to respond to the amount of attention devoted to them by a specified manager.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:45

## Questions:

- 104 (4.3.82)
- 105 (4.2.71)
- 106 (4.2.52)
- 107 (4.2.57)
- 108 (4.2.46)
- 109 (4.1.21)
- 110 (4.4.120)
- 111 (4.4.107)
- 112 (4.1.29)
- 113 (4.2.74)
- 114 (4.3.90)
- 115 (4.2.64)
- 116 (4.2.65)
- 117 (4.3.83)
- 118 (4.4.122)
- 119 (4.4.116)
- 120 (4.3.98)
- 121 (4.1.26)
- 122 (4.2.44)
- 123 (4.2.38)
- 124 (4.3.81)
- 125 (4.3.78)

Hide

## Question Filters



Unanswered



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No filters enabled

- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked

## Session Tools



Grade



Discard  
Session



Pause



Calculator



Time Value Tables  
Tools



Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 126 The relevant range refers to the activity levels over which

- A. Costs fluctuate.
- B. Relevant costs are incurred.
- C. Production varies.
- D. Cost relationships hold constant.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:46

## Questions:

- 105 (4.2.71)
- 106 (4.2.52)
- 107 (4.2.57)
- 108 (4.2.46)
- 109 (4.1.21)
- 110 (4.4.120)
- 111 (4.4.107)
- 112 (4.1.29)
- 113 (4.2.74)
- 114 (4.3.90)
- 115 (4.2.64)
- 116 (4.2.65)
- 117 (4.3.83)
- 118 (4.4.122)
- 119 (4.4.116)
- 120 (4.3.98)
- 121 (4.1.26)
- 122 (4.2.44)
- 123 (4.2.38)
- 124 (4.3.81)
- 125 (4.3.78)
- 126 (4.2.56)

Hide

## Question Filters



Unanswered



Marked



Incorrect

No filters enabled

- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked

## Session Tools



Grade



Discard



Pause



Calculator



Time Value Tables



Question Properties

### Study Unit 4: Cost Management Concepts | Subunit 1: Cost Management Terminology

Question: 127 The allocation of general overhead costs to operating departments can be **least** justified in determining

- A. Costs for making management's decisions.
- B. Income of a product or functional unit.
- C. Income tax payable.
- D. Costs for the federal government's cost-plus contracts.

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:47

## Questions:

- 106 (4.2.52)
- 107 (4.2.57)
- 108 (4.2.46)
- 109 (4.1.21)
- 110 (4.4.120)
- 111 (4.4.107)
- 112 (4.1.29)
- 113 (4.2.74)
- 114 (4.3.90)
- 115 (4.2.64)
- 116 (4.2.65)
- 117 (4.3.83)
- 118 (4.4.122)
- 119 (4.4.116)
- 120 (4.3.98)
- 121 (4.1.26)
- 122 (4.2.44)
- 123 (4.2.38)
- 124 (4.3.81)
- 125 (4.3.78)
- 126 (4.2.56)
- 127 (4.1.25)

Hide

## Question Filters



Unanswered



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No filters enabled

- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked

### Session Tools



Grade



Discard  
Session



Pause



Calculator



Time Value Tables



Question Properties

Tools

#### Study Unit 4: Cost Management Concepts | Subunit 2: Cost Behavior and Relevant Range

Question: 128 A company budgets its total production costs at \$220,000 for 75,000 units of output and \$275,000 for 100,000 units of output. Since additional facilities are needed to produce 100,000 units, fixed costs are budgeted at 20% more than for 75,000 units. What is the budgeted variable cost per unit of output?

- A. \$2.75
- B. \$1.10
- C. \$2.20
- D. \$1.20

A

B

C

D



Mark For Review



Previous



Next

Elapsed Time: 05:48

### Questions:

- 107 (4.2.57)
- 108 (4.2.46)
- 109 (4.1.21)
- 110 (4.4.120)
- 111 (4.4.107)
- 112 (4.1.29)
- 113 (4.2.74)
- 114 (4.3.90)
- 115 (4.2.64)
- 116 (4.2.65)
- 117 (4.3.83)
- 118 (4.4.122)
- 119 (4.4.116)
- 120 (4.3.98)
- 121 (4.1.26)
- 122 (4.2.44)
- 123 (4.2.38)
- 124 (4.3.81)
- 125 (4.3.78)
- 126 (4.2.56)
- 127 (4.1.25)
- 128 (4.2.66)**

Hide

### Question Filters



Unanswered



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No filters enabled

- 0 ✓ Correct First Try
- 0 ✓ Currently Correct
- 0 ✗ Incorrect
- 0 ▼ Marked