

## NAT IIM Management Science Finance Hard Test

Sr	Questions	Answers Choice
1	If applied factory overhead is less than actual factory overhead, it is called	A. Applied F.o.H B. Over applied F.o.H C. Under-applied F.o.H D. None of above
2	Doubtful debts are shown on:	A. Profit side of statement of profit and loss B. Liabilities side of balance sheet C. Asset side of balance sheet D. Not shown anywhere
3	Costs whose consumption may be identified with specific production units in called	A. Direct labour cost B. Indirect labour cost C. Direct material cost D. Indirect material cost
4	Under perpetual inventory system stock taking is under taken at the	A. Start of the accounting year B. End of the accounting C. Regular bases D. None of above
5	Any written evidence of a business transaction is known as	A. Voucher B. Pay-in-slip C. Debit note D. Credit note
6	Name the main accounts which are prepared in accounting?	A. Assets, liabilities, income and expenses B. Assets, liabilities, income and revenue C. Assets, owner's equity, income and expenses D. Assets, liabilities and expenses
7	The cost flow must match the	A. Output B. Outflow C. Inflow D. Workflow
8	Deferred liabilities are debts which are repayable less than -----	A. One month B. Six month C. One year D. None
9	If spoiled good are considered as abnormal part of production process then debited to	A. Work in process B. General expense C. F-o-H control D. None of above
10	In bill of exchange, the party who accepts a bill is known as:	A. Drawer B. Drawee C. Payee D. Third party
11	Which one is not include in factory overhead?	A. Power hear & light B. Indirect labour cost C. Depreciation of plant D. Salary of accountant
12	The primary object of non-profit organizations is	A. Not to earn profit B. Work for the welfare of society C. Buy/sell goods D. A and B but not C
13	A credit purchases are:	A. If goods purchased and payment made at the same time B. If goods purchased and payment not made at the same time C. If goods sold and payment receive at the same time D. If goods sold and payment not receive at the same time
		A. FIFO method

14	Profit will be lower where prices are rising under	<p>B. LIFO method</p> <p>C. Weighted average method</p> <p>D. All of the above</p>
15	Section of the business to which cost can be charged is termed as	<p>A. Cost driver</p> <p>B. Cost center</p> <p>C. Cost unit</p> <p>D. All of above</p>
16	Historical cost which is irrecoverable in a given situation is called	<p>A. Imputed cost</p> <p>B. Standard cost</p> <p>C. Opportunity cost</p> <p>D. Sunk cost</p>
17	The cost flow must watch the	<p>A. Output</p> <p>B. Outflow</p> <p>C. Inflow</p> <p>D. Workflow</p>
18	Depreciation expenditure is a	<p>A. Fixed cost</p> <p>B. Variable cost</p> <p>C. Semi-variable cost</p> <p>D. Step fixed cost</p>
19	If spoiled goods are considered a normal part of production process than debit to	<p>A. Work in process</p> <p>B. General expense</p> <p>C. F.o.H control</p> <p>D. None of above</p>
20	Spoiled goods cannot be	<p>A. Sold without repairing</p> <p>B. Repair and sold as damaged goods</p> <p>C. Both A and B</p> <p>D. None of above</p>