

## NAT IIM Management Science Finance Hard Test

Sr	Questions	Answers Choice
1	If spoiled goods are considered a normal part of production process than debit to	A. Work in process B. General expense C. F.o.H control D. None of above
2	Variable cost and fixed cost have been treated as product cost in	A. Absorption costing B. Direct costing C. Full costing D. All of above
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	Rebate is the ----- in the amount of bill paid	A. Premium B. Increase C. Expense D. Concession
5	The primary objective of cost accounting is to	A. Control cost B. Calculate profit C. Avoid cost D. All of above
6	From the following statements which one is not true about over applied F.o.H	A. Less from cost of goods sold at normal B. Less from entire production if required C. Add in gross profit if required D. Less from Net profit.
7	Bin card is maintained by	A. Purchase manager B. Sales manager C. Store keeper D. Finance manager
8	Material are charged to production at actual cost under	A. Weighted average method B. FIFO method C. LIFO method D. Both ii & iii
9	Which one is not a classification according to the accounting period?	A. Capital expenditure B. Revenue expenditure C. Product cost D. Administrative cost
10	Purchase Requisition is sent to	A. Accounts department B. Purchase department C. Finance department D. None of above
11	Outstanding expenses are also known as	A. Prepared expenses B. Accrued expenses C. Un-earned income D. None
12	Office salaries are include in	A. Direct material cost B. Indirect material cost C. Factory overhead cost D. Total payroll
13	Treble column cash book has three columns of:	A. Cash, bank and discount B. Income, expense and bank C. Cash, bank and profit or loss D. None
14	How many types of inventories are in cost of goods sold statement?	A. 1 B. 2 C. 3 D. 4
15	Doubtful debt are:	A. Definite loss to the business B. Definite profit to the business C. Expected loss to the business

		D. Expected profit to the business
16	Spoiled goods cannot be	A. Sold without repairing B. Repair and sold as damaged goods C. Both A and B D. None of above
17	In job order costing system, each job is assigned a job cost	A. Unit B. Center C. Driver D. Sheet
18	A property which is received by virtue of a will of a person after his death is known as	A. Legacy B. Donation C. Subscription D. Gift
19	What is accounting period?	A. It is a time for which business prepares its financial statements B. It is time for which business prepares its profit and loss statement C. It is a time for which business prepares its balance sheet D. None
20	Loss which arises due to ----- is known as abnormal loss	A. Breakage of goods B. Leakage C. Fire D. Shrinkage