

### Question 1

Which of the following is true about the cash available for needs before financing?

- A) Beginning cash balance minus receipts equal the total cash available for needs before any financing.
- B) Cash receipts do not depend on collections of accounts receivable.
- C) Cash receipts do not depend on cash sales.
- D) Cash receipts do not depend on reoccurring rent and royalty receipts.
- E) Information on the expected collectability of accounts receivable is needed for accurate predictions.

Answer: <https://biology-forums.com/index.php?topic=559909>

### Question 2

What is the purpose of standard costing?

Answer: <https://biology-forums.com/index.php?topic=559986>

### Question 3

The manager at Marilyn's Sewing Service reported \$75,000 total conversion cost and 41,500 total conversion cost in equivalent units. Compute the conversion cost per equivalent unit.

- A) \$1.50
- B) \$1.60
- C) \$1.70
- D) \$1.80
- E) \$1.90

Answer: <https://biology-forums.com/index.php?topic=559106>

### Question 4

Working capital refers to the difference between current assets and current liabilities.

Answer: <https://biology-forums.com/index.php?topic=559698>

### Question 5

Managerial accountants record direct material costs and conversion costs in an assembly department as the costs are incurred.

Answer: <https://biology-forums.com/index.php?topic=559077>

### Question 6

Setup costs never depreciation and maintenance costs of setup equipment, wages of setup workers, and allocated salaries of design engineers, process engineers, and supervisors.

Answer: <https://biology-forums.com/index.php?topic=559185>

### Question 7

\_\_\_\_\_ is a "demand pull" manufacturing system that manufactures each component in a production line as soon as, and only when, needed by the next step in the production line.

- A) Bottle neck
- B) Time driver
- C) Value stream
- D) Carrying costs
- E) Just-in-time production

Answer: <https://biology-forums.com/index.php?topic=559650>

### Question 8

The manager at Starfish Manufacturing purchased a new machine with an upgraded feature with an investment of \$285,000. The manager forecasted an increase in expected average annual after-tax operating income of \$46,000.

Required

Compute the accrual accounting rate of return (AARR).

- A) 15.14%
- B) 16.14%
- C) 17.14%
- D) 18.14%
- E) 19.14%

Answer: <https://biology-forums.com/index.php?topic=559744>

### Question 9

Merchandising-sector companies purchase and then sell tangible products without changing their basic form.

Answer: <https://biology-forums.com/index.php?topic=558738>

### Question 10

A disadvantage of using actual input data from past periods is that past data can include inefficiencies such as wastage of direct materials.

Answer: <https://biology-forums.com/index.php?topic=559968>

### Question 11

How can managers use information technology to enhance decentralized decision making in multinational corporations?

Answer: <https://biology-forums.com/index.php?topic=560175>

### Question 12

The more cost pools that managers develop the less allocations are necessary to calculate activity costs for each cost pool.

Answer: <https://biology-forums.com/index.php?topic=559226>

### Question 13

Performance evaluation focuses on responsibility centers for a specific period rather than projects or equipment.

Answer: <https://biology-forums.com/index.php?topic=559549>

### Question 14

Managers only use personal observation to evaluate and control JIT performance.

Answer: <https://biology-forums.com/index.php?topic=559659>

### Question 15

Actual costing uses actual indirect cost rates calculated annually at the end of the year.

Answer: <https://biology-forums.com/index.php?topic=559006>

### Question 16

\_\_\_\_\_ refers to how closely the characteristic of products or service meets the needs and wants of customers.

- A) Design quality
- B) Conformance quality
- C) Internal failure costs
- D) External failure costs
- E) Environmental costs

Answer: <https://biology-forums.com/index.php?topic=559575>

### Question 17

Not only does the balanced scorecard focus on achieving financial objectives, it also highlights \_\_\_\_\_.

- A) individual recognition
- B) personal responsibility
- C) nonfinancial objectives
- D) progressive hiring practices
- E) successful marketing measures

Answer: <https://biology-forums.com/index.php?topic=560088>

### Question 18

In indirect cost pools, distribution costs are \_\_\_\_\_.

- A) direct costs
- B) batch-level costs
- C) output unit-level costs
- D) product-sustaining costs
- E) facility-sustaining costs

Answer: <https://biology-forums.com/index.php?topic=559207>

### Question 19

Why are a stable economy and technology important to managers?

Answer: <https://biology-forums.com/index.php?topic=559411>

### Question 20

The manager at Northern Neck Manufacturing reported a need to purchase a new machine to clean and process fresh shrimp. In its simple form, the average investment is calculated as the arithmetic mean of the net initial investment at \$650,000 and a net terminal cash flow of \$24,000. The managerial accountant reports that the net terminal value of the new machine is \$0, plus the net terminal amount of working capital is \$24,000. The increase in expected annual after-tax income is expected at \$34,000.

Required

Compute the average investment over 5 years. Compute the AARR on average investment.

Answer: <https://biology-forums.com/index.php?topic=559746>