

The basic assumptions associated with CVP technique exclude one of the following:  
Selling price per unit is flexible

One of the following is not the reasons for adopting a standard costing technique  
Lack of understanding of its application could bring about resistance from the employees

Making a choice between future and uncertain alternatives is known as  
Decision making

Standard which remains unaltered over a long time is known as  
Basic Standard

An approach which allocates all production costs into individual products is known as  
absorption costing

One of the following is not the function of contribution in marginal costing  
It places emphasis on the short run effects of costs

Costs that are irrelevant for decision making are called  
sunk costs

labour rate variance is usually recorded in the  
wages account

The unutilized capacity is called  
Idle Capacity

One of the following is an advantages of absorption costing.  
It does not undermine the importance of fixed cost