

# **DEVRY ACCT 434 Week 6 Customer Profitability Capital Budgeting**

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**<http://www.acct434assignment.com/acct-434-devry/acct-434-week-6-customer-profitability-capital-budgeting>**

1.Question :

(TCO 9) To guide cost allocation decisions,the benefits-received criterion

2.Question :

(TCO 9) A challenge to using cost-benefit criteria for allocating costs isthat

3.Question :

(TCO 9) The MOST likely reason for NOT allocating corporate costs todivisions include that

4.Question :

(TCO 9)Identifying homogeneous cost pools

5.Question :

(TCO 9) The Hassan Corporation has an electric mixer division and an electric lamp division. Of a \$20,000,000 bond issuance, the electric mixer division used \$14,000,000 and the electric lamp division used \$6,000,000 for expansion. Interest costs on the bond totaled \$1,500,000 for the year. What amount of interest costs should be allocated to the electric lamp division?

6.Question :

(TCO 10) All of the following are methods that aid management in analyzingthe expected results of capital budgeting decisions EXCEPT the

7.Question :

(TCO 10) Assume your goal in life is to retire with \$1.5 million. Howmuch would you need to save at the end of each year if interest ratesaverage 5% and you have a 25-year work life?

8.Question :

(TCO 10) Thedefinition of an annuity is

9.Question :

(TCO 10) A "what-if" technique that examines how a result will change ifthe original predicted data are not achieved or if an underlying assumptionchanges is called

10.Question :

(TCO 10) Shirt Company wants to purchase a new cutting machine for itssewing plant. The investment is expected to generate annual cash inflows of \$300,000. The required rate of return is 12% and the

current machine is expected to last for four years. What is the maximum dollar amount Shirt Company would be willing to spend for the machine, assuming its life is also four years? Income taxes are not considered.

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