# Lesson 2.2 Practice Quiz

**4/4** points earned (100%)

Excellent!

Retake

[Course Home](https://www.coursera.org/learn/managerial-accounting-tools/home/welcome)

Correct

1 / 1 points

1. Which of the following is true about the sales budget?

1. Driven by planned production
2. Long-term focused
3. **Can be separated into product-line specific budgets**

**Correct Response**

Correct! The sales budget can be applied to different product lines, teams, or geographic areas.

Correct

1 / 1 points

2. Once a manager completes the budgeted income statement, he/she can adjust the budget to set a different target net income without revising the sales, production, and component budgets.

1. True
2. **False**

**Correct Response**

Correct! The sales, production, and component budgets are interrelated with the budgeted income statement.

Correct

1 / 1 points

3. Which of the following is true?

1. The production budget drives the selling and administrative cost budget.
2. **Creating the budgeted income statement may lead to a revision to the sales budget.**

**Correct Response**

Correct! These budgets are interrelated, so a change in one leads to a change in the other.

1. Managers usually prepare the sales budget after the capital expenditures budget.

Correct

1 / 1 points

4. Kaplan Inc. had 100,000 in unit-sales during the last quarter of last year. Managers expect the sales to increase by 10% each quarter over the next four quarters.

The selling price is expected to remain the same for the next four quarters at $2 per unit.

What is the quarter-specific budgeted sales revenue for the 4th quarter of the coming year?

1. $260,000
2. $280,000
3. **$292,820**

**Correct Response**

Correct! Sales increase by 10% each quarter, which means that projected sales for Q4 are 146,410 units. At $2 per unit, projected sales revenue is $292,820.