

MANAGEMENT ACCOUNTING (207)					
Question	A	B	C	D	Ans
1.In Management accounting,emphasis and focus should be	future oriented	past oriented	communication oriented	bank oriented	A
2.What are the characteristics of management accounting?	Decision Making	Internal Use	Optional	All of the above	D
3.The management accounting can be stated an extension of I)Cost Accounting II)Financial Accounting	Only I	Only II	Both I and II	None of the Above	C
4.Management accounting assists the management	Only in control	Only in decision making	Only in planning	In planning, decision making and control	D
5.Which of the following is not the limitation of Management Accounting?I)Developing Stage II)Resistance from Staff III)Lack of wide knowledge IV)Decision Making	Only I,II,III	Both I & IV	Only IV	Only I	C
6.Data in management accounting is derived from	Cost Accounting	Financial Accounting	Other Sources	All of the above	D
7.Financial accounting is the art of _____.I)Classifying II)Interpreting III)Recording IV)Summarising .Write Correct sequence.	III,IV,II,I	III,I,IV,II	III,I,II,IV	III,IV,I,II	B
8.Which statement is true.I)Cost records are compulsory in all industries. II)Management accounting records are compulsory by law.	Both are False	Only II	Both I and II	Only I	A
9.Which technique used for figures of two or more periods are placed side by side to facilitate easy and meaningful comparisons?	Comparative Statements	Common size Statements	Trend	None	A
10.Total Assets in 2018 10 lac(Negative);in 2019 15 Lac (Positive).What is the Percentage change?	150%	100%	250%	50%	C
11.What is treated as the base in common size P& L statement.	RFO	Other Incomes	Total Income	Profit before tax	A
12.Working capital=45,000 ,Total Debt=1,00,000 , LT debt=70,000, what is value of Current assets?	30,000	15,000	25,000	75,000	D
13.If Inventory turnover ratio=5 times,what is avg age if inventory?	73 days	80 days	70 days	69 days	A

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14.What is formula of Capital employed? I)Shareholder's Funds+Non Current Liabilities II)Total Assets-Current Liabilities III)Non Current Assets-Working capital IV)Total Assets-Total Liabilities	Only III and IV	Only I,II and III	All I,II,III,IV	Only I and II	D
15.Which items are added in Current year profit to get Net profit before tax.I)Interim dividend II)Provision for tax III)Refund of tax IV)Transfer to reserves	All	Only III	Only II and IV	Only I,II and IV	D
16.Which are financing activities?I)Issue of shares II)Interest Paid III)Dividend paid IV)Redemption of debentures	All	Only I,II and IV	Only I and IV	Only I,III and IV	B
17.Which of the following is not the objective of budgetary control? I)Control II)Danger of rigidity III)Motivation IV)Based on estimates	Only II	Only II and IV	Only II,III and IV	All I,II,III and IV	B
18.Which of the following is the limitation of Zero based budgeting.I)Resist new ideas II)Control on expenditure III)Requires proper training IV)Conflicts	All	Only I and IV	Only III and IV	Only I,III and IV	D
19.The fixed administration expenses are Rs 50,000 at 10,000 units of production.What will be the per unit fixed cost at 8000 units?	Rs 5 per unit	Rs 8.33	Rs 6.25 per unit	Rs 10	C
20. Labour Efficiency Variance is the sum total of I)Labour Mix variance II)Labour Cost Variance III)Idle time Variance IV)Labour yield variance	Only I and IV	All	Only II and III	Only I,III and IV	D
21.Total Actual material is 1250 Kg.The Standard qty of Material A=800Kg and B=400Kg.What is the revised Std qty of A and B respectively	825kg,425Kg	950Kg,300Kg	833Kg,417Kg	750Kg,500Kg	C
22.AQ=2500Kg ,SP=Rs 2.5,SQ=2400Kg,AP=Rs 3 .Calculate Material Cost variance.	1500 F	1500 A	950 F	950 A	B
23.BE point=40,000 ,Fixed Cost=15,000.Calculate P/V ratio.	3.75%	0.38%	26.66%	37.50%	D
24.Calculate Break Even Point in units if Fixed cost is 15,000 ,SP=15 and VC=12	1000 units	1250 units	1500 units	5000 units	D
25.Calculate Profit if Mos=40%,P/v ratio=50% and Actual Sales=10,00,000.	9,00,000	5,00,000	2,00,000	4,00,000	C
26.Variable cost ratio =80% and Mos=40%.Calculate P/V ratio and BEP(in Percentage) respectively.	60%,60%	20%,60%	60%,20%	20%,20%	B

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27. At Break even point, Contribution is equal to _____.	Profit	Variable Cost	Fixed Cost	Selling Price	C
28. Which statement is true. I) Fixed budget assumes Changing business conditions. II) Flexible budget is prepared for only one level of activity.	None is true	Both are true	Only I	Only II	A
29. Fixed cost=8000, Profit=5600. Calculate Contribution.	8000	2400	13600	5600	C
30. The wages due from Mar 20, Apr 20 and May 20 are Rs 8000, Rs 9000 and Rs 10,000 respectively. There is delay in payment of wages of 2 months. What will be the wages paid in May?	Rs 9000	Rs 8000	Rs 10000	Rs 27000	B
31. Write any 2 advantages of management accounting.					
32. Write any 2 difference between Cost and Management accounting.					
33. Write any 2 limitations of financial statement analysis.					
34. Write any 2 characteristics of Zero based Budgeting.					
35. What is the formula for calculating Material Price variance and Material Usage Variance.					