

GOKHALE EDUCATION SOCIETY,SHRI BHAUSAHEB VARTAK ARTS, COMMERCE AND SCIENCE COLLEGE

Programme: - BBI		Sem: - III			Course: - MANAGEMENT ACCOUNTING	
Sr. No	Question	option 1	option 2	option 3	option 4	correct answer
1	Which of the following would most likely use management accounting information?	Middle-level managers	Shareholders	Lenders	Consumers	Middle-level managers
2	Management accounting information is generally prepared for_____	Creditors	Managers	Shareholders	Government	Managers
3	Which of the following statements represents a similarity between financial and management accounting?	Both are useful in providing information for external users	Both are governed by accounting standards	Both use data from the organisation's accounting system	Both are audited by external auditors	Both use data from the organisation's accounting system
4	As compared to Management accounting financial accounting is_____	Involved with planning and control functions	Concerned with non-quantitative information	Primarily concerned with internal financial reporting	Primarily concerned with external financial reporting	Primarily concerned with external financial reporting
5	The proprietary ratio shows the relation between proprietors funds and_____	Total assets	Total capital	Total fixed assets	Total assets excluding fictitious	Total assets excluding fictitious assets
6	Which of the following is not an example of	Patents	Royalty	Buildings	Plant and	Royalty
7	Payment of dividend is based	Reserve capital	Issued capital	Paid up capital	Authorised capital	Paid up capital
8	Performance over two years can be understood from_____	Common size statement	Income statement	Balance sheet	Comparative Income Statement	Comparative Income Statement
9	Performance for the year can be analyzed	Common size statement	Income statement	Balance sheet	Comparative	Common size
10	Trend in performance is understood from_____	Fundamental analysis	Trend analysis	Horizontal analysis	Vertical analysis	Trend analysis
11	Earliest year has to be considered as base year, the values of which are taken as 100 in_____	Income statement	Comparative statement	Trend analysis	Balance sheet	Trend analysis
12	For Inter firm comparison,_____	Income statement is prepared	A common size statement is prepared	Balance sheet is prepared	A comparative statement is prepared	A comparative statement is prepared
13	Inter firm comparison becomes misleading when	Different policies	Same policies	Same account systems	Same procedures	Different policies
14	Gross profit ratio is 20% and purchase of goods is Rs.20,000 will_____	No Change anywhere	No change in Gross profit	Decrease in Gross profit	Increase in Gross profit	No change in Gross profit
15	Buying policies are judged	Gross profit ratio	Net profit ratio	Return on Investment	P/E Ratio	Gross profit ratio

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16	Long term solvency is judged by _____	Current ratio	Proprietary ratio	P/E Ratio	Earning per share	Proprietary ratio
17	Standard interest coverage is _____	4 times	6 times	7 times	15 times	7 times
18	Standard stock turnover ratio is _____	3 times	4 times	10 times	6 times	6 times
19	High investment in inventory affects _____ adversely	Liquidity	Long term solvency	Credit worthiness	Profitability	Liquidity
20	Net profit after Interest and tax Rs.2,22,000;Equity capital(Rs,10 Each) Rs.1,00,000. The EPS is _____	Rs.30.35	Rs.26	Rs.22.20	Rs.20.20	Rs.22.20
21	Operating profit is 20%. What is the effect of purchase of goods Rs.20,000 on operating profit?	Loss	Decrease	Increase	No change	No change
22	Net credit sales Rs.1,00,000; Average debtors Rs.25,000. Collection period is _____	3 months	1 month	5 months	7 months	3 months
23	Cash working capital includes _____	Investment only	Fixed assets less depreciation	Inventory at cost less depreciation	Inventory at cost plus depreciation	Inventory at cost less depreciation
24	Gross working capital is equal to _____	Non-quick assets	Fixed assets	Current liabilities	Current assets	Current assets
25	_____ working capital increases	Adequate	Surplus	Shortage of	Limited	Adequate

