**MANAGEMENT ACCOUNTING**

1. ………………Accounting is concerned with measurement of the cost and value of people for the organization.

2. The important objective of …………………..accounting is to organize the accumulated financial data into meaningful information.

 3. ……………………..accounting is the adoption and analysis of accounting information and its diagnosis and explanation in such a way so as to assist the decision -makers.

 4. Planning is that function of ……………………..which requires an efficient system of decision – making.

 5. Financial …………….. ensures effective utilization of available financial resources in the long period.

6. When the concept of ratio is defined in respect to the item shown in the financial statements, it is termed as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 7. The relationship between two financial variables can be expressed in: \_\_\_\_\_\_\_

8. Stock is considered as a liquid asset as anytime it can be converted into cash immediately.

9. Return on properties funds is also known as. \_\_\_\_\_\_\_\_\_\_\_\_

10. Current ratio indicates the \_\_\_\_\_\_\_\_\_position of the business.

11.formula of liquid ratio is\_\_\_\_\_\_\_\_\_

12. The gross profit represents the net margin. True or false

13. Reliability of ratios depend upon the reliability of financial data.

14. Ratio analysis ensures effective cost control. a. true b. false

15. An ideal current ratio is considered as 1:2 a. false b. true

 16.The ratios which reveal the final result of the managerial  policies

17.The management of the firm has not yet decided on its \_\_\_\_\_\_ policies.

18.What is "balanced" in the balanced scorecard approach?

19.The emphasis on financial and non-financial Managerial accounting information is generally prepared for \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

20.Managerial accounting information means\_\_\_\_\_\_\_\_\_\_\_\_\_

21.The major reporting standard for management accountants is

22.Which of the following managerial accounting techniques attempts to allocate manufacturing overhead in a more meaningful fashion?

23.Activity-based costing

Corporate social responsibility refers to:

(a) the practice by management of reviewing all business processes in an effort to increase productivity and eliminate waste.

(b) an approach used to allocate overhead based on each product's use of activities.

(c) the attempt by management to identify and eliminate constraints within the value chain.

(d) efforts by companies to employ sustainable

24.Management accounting concentrates on \_\_\_\_\_\_\_

A. preparation of PL account B. creation of balance sheet C. providing accounting details to macro environment D. control of business operations 25. In management accounting, an emphasis and focus must be \_\_\_\_\_ oriented.

A. bank B. communication C. future D. past

 26. Salaries, wages, depreciations, rent & utilitie are used to calculate \_\_\_\_\_\_\_\_ A. marginal costs B. output cost C. operating costs D. fixed costs

 27.\_\_\_\_\_\_ is responsible for financial operations of the organization. A. CEO B. CMO C. CFO D. CA

 28.The primary objective of management accounting is to \_\_\_\_\_\_ A. furnish management complete and true information B. supply profit and loss details to stakeholders C. manage company account and improve sales D. cut the operation cost to provide more savings

29.\_labour is one of the most important elements of cost.

 30. Direct labour is the labour which can be\_\_\_\_\_\_\_\_\_\_\_\_ distinctly and clearly identified to a job, a product, a process or to a cost centre or cost unit etc.

31. \_\_\_\_\_\_\_\_\_\_refers to the recording of the time of workers arrival at and departure from the factory, for the purpose of attendance and preparation of wage sheets.

32.\_\_is the responsibility of the personal department.

33. The person who is authorized to record the attendance of workers is called\_\_\_\_\_\_\_\_

34. The allocation or apportionment of expenses to cost centres is known as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

35. \_\_\_\_\_\_\_\_\_\_\_costs are those which can be influenced by the action of the management of the undertaking.

36. \_\_\_\_\_\_\_\_\_\_are those which cannot be influenced by the action of management.

37.A \_\_\_\_\_is one which is actually involved in the process of production, converting raw materials in to finished products.

38. \_\_is usual and expected one12. \_\_\_\_is one which is unexpected and accidental. 13. A\_\_is an auxiliary department helping the production department by providing service.

39.\_\_means proportional allotment of overhead expenses which cannot be wholly charged to a particular department.

40. The process of \_\_\_\_\_\_of costs of service departments to production departments is termed as \_\_\_\_\_or \_\_\_\_\_\_\_\_\_\_\_

41. The standard rate established for absorbing overhead to products or cost units is called \_\_\_\_\_\_\_\_\_\_\_\_\_.

42. \_\_\_\_\_is the most commonly used method of absorption of overhead.

43.\_is the overhead rate of working one machine for one hour.

44. \_\_\_\_ is the type of accounting. A. cost accounting B. management accounting C. financial accounting D. all of the above

45. Management accounting helps \_\_\_\_\_\_ to make0 decisions. A. Customers B. Investors C. Managers D. Banks

46. Management accounting can be viewed as \_\_\_\_\_\_\_\_\_\_. A. Marketing-oriented Accounting B. Management-oriented Accounting C. Accounting-oriented Management D. Manager-oriented Accounting

47. \_\_\_\_\_\_\_\_ is the language of Business which used to communicate financial information. A. Accounting B. Marketing C. Profit D. Pricing

48. The term management accounting was first coined in \_\_\_\_. A. 1940 B. 1950 C. 1960 D. 1970

49. Which is the sub-field of accounting?

50.anagement accounting concentrates on \_\_\_\_\_\_\_ A. preparation of PL account B. creation of balance sheet C. providing accounting details to macro environment D. control of business operations

51.In management accounting, an emphasis and focus must be \_\_\_\_\_ oriented. A. bank B. communication C. future

51. What is considered the language of business used to communicate financial information?

52. When was the term Management Accounting is emerged?

 53.What is the main objective of management accounting?

54. Which personnel of a financial firm play a key role in management accounting?

55. What are the instruments/ tools related to management accounting?

56. Where is management accounting applied?

57. Who discovered the term Management Accounting?

58. What is the main function of management accounting?

59. Which of the following options is not characteristic of management accounting?

60. Who stated the definition of management accounting as “Management Accounting is concerned with accounting information which is useful to management”?

61. Management accounting is used as …………

62. The management is provided with invaluable services by management accounting through?

63. Which of the following statements are true according to management accounting?

 64. Which of the following is not a management accounting tool?

65. What is the scope of management accounting?

66. The accounting data are analysed and evaluated with the help of …………?

67. Management accounting deals with managing …………

68. What are the decisions that are made for a long term period called?

69. What is the basic function of management accounting?

70. Which type of information can be recorded in management accounting?

71.An accounting approach, in which the expected benefits exceed the expected cost is classified as

72.Management accounting deals with

73.Decisions regarding usage of material, kind and changes in plant processing are a part of

74.In management accounting, an emphasis and focus must be

75.Profit is the difference between fixed cost and

76.A budget giving a summary of all operating and financial budgets is called as

77.The branch of accounting which primarily deals with processing and presenting accounting data for internal use in a concern is

78.A plan and blue print for future period is called as .

1. expresses the relationship of contribution to sales volume.
2. Marginal Costing is also known as

81. Budget is a written plan of

82.Requisites for Inter-firm comparison system is

83 .MIS normally found in a manufacturing organization will not be suitable in the,

84.Sales Minus Variable Cost = Fixed Cost Plus--

85. \_\_\_\_\_\_\_\_\_\_refers to the recording of the time of workers arrival at and departure from the factory, for the purpose of attendance and preparation of wage sheets.

86.\_\_is the responsibility of the personal department.

87. Manpower is the most valuable \_\_\_\_\_\_\_\_and \_\_\_\_\_-of modern business enterprises.

88. The person who is authorized to record the attendance of workers is called\_\_.

89. The allocation or apportionment of expenses to cost centres is known as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

90. \_\_\_\_\_\_\_\_\_\_\_costs are those which can be influenced by the action of the management of the undertaking.

91.\_\_are those which cannot be influenced by the action of management.

92.A \_\_\_\_\_is one which is actually involved in the process of production, converting raw materials in to finished products.

93. \_\_\_is usual and expected one

94. \_\_\_\_is one which is unexpected and accidental.

95. A\_\_\_is an auxiliary department helping the production department by providing service.

96.\_\_means proportional allotment of overhead expenses which cannot be wholly charged to a particular department.

 97.The process of \_\_\_\_\_\_of costs of service departments to production departments is termed as \_\_\_\_\_or \_\_\_\_\_\_\_\_\_\_\_.

98. The standard rate established for absorbing overhead to products or cost units is called \_\_\_\_\_\_\_\_\_\_\_\_\_.

99. \_\_\_\_\_is the most commonly used method of absorption of overhead.

100.\_\_\_\_\_\_\_\_\_is the overhead rate of working one machine for one hour.

**SHORT ANSWER TYPE QUESTION**

1.What are the major differences between managerial and financial accounting?

2.Identify the three elements of cost incurred in manufacturing a product and indicate the distinguishing characteristics of each?

3.Why might a company claim that the total cost of employing a person is rs 15.30 per hour when the employee’s wage rate is rs10.50 per hour?

4.Why are certain costs referred to as period costs?

 5.What are the major types of period costs incurred by a manufacturer?

6.Explain why the income statement of a manufacturing company differs from the income statement of a merchandising company?

1. What is the general content of a statement of cost of goods manufactured? What is its relationship to the income statement?
2. What is ZBB ?
3. What do you mean by budget?
4. Real world question Why is it becoming more important that the managers of hospitals understand their product costs?
5. The profit volume ratio of a company is 50% and the margin of safety is 40%. Calculate net-profit if the sales volume is Rs. 1,00,000 ?

12. The concept of management accounting was coined by?

13.An accounting approach, in which the expected benefits exceed the expected cost is classified as

14.Management accounting deals with?

15.Decisions regarding usage of material, kind and changes in plant processing are a part of ?

16 . In management accounting, an emphasis and focus must be?

17.Define Management Accounting?

18.Discuss the use of Management Accounting as a tool in decision making and exercising?

19.Discuss in brief the roles and limitation of Management Accounting?

20.What do you mean by Budget and Budgetary Control System?

21.Define Budgetary control.

22. What is considered the language of business used to communicate financial information?

23.When was the term Management Accounting coined?

24.What is the main objective of management accounting? 25.Which personnel of a financial firm play a key role in management accounting?

26. What are the instruments/ tools related to management accounting?

27. Where is management accounting applied?

28. Who discovered the term Management Accounting?

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 30.Which of the following options is not characteristic of management accounting?

31. Who stated the definition of management accounting as “Management Accounting is concerned with accounting information which is useful to management”?

32. Management accounting is used as …………

33. The management is provided with invaluable services by management accounting through?

34. Which of the following statements are true according to management accounting?

35. What is the scope of management accounting?

36. The accounting data are analysed and evaluated with the help of …………

37. Management accounting deals with managing …………

38. What are the decisions that are made for a long term period called?

39. What is the basic function of management accounting?

40. Which type of information can be recorded in management accounting?

41.What is management accounting ,discuss it's nature?

42. Differentiate between cost accounting, management accounting and financial accounting.

43. Discuss the limitations and advantages of ratio analysis. Classify Ratio

44. Write short notes on- Trend Analysis

45. Difference between common size and comparative statements

46. Difference between vertical and horizontal analysis

47. Format-Direct and indirect method and types of cash flow-operating, financing and investing activities

48. Discuss the types of budgeting and budgetary control, process by which budgets are prepared(steps)

49. Difference between budgeting and budgetary control

50. Merits, demerits and objectives of budgetary control

51. Difference between fixed and flexible budgeting

52.Difference between traditional and performance budgeting

53. Zero Based Budgeting-meaning and importance

54. Control Ratios

55. Advantage of variance analysis

56. Difference between marginal and absorption costing

57. Income statement of marginal and absorption costing

58.Meaning and applications of CVP analysis

59. What is break even analysis- algebraic and graphical methods

60. Short notes on angle of incidence and margin of safety

61. What is decision making. Discuss the steps and importance of decision making in business.

62. Types of decision making

63. Limitations and advantages of financial statements

64. Difference between standard costing and historical costing

65. Difference between cash flow and fund flow statement

66. Short notes on Disposition of variance

67.Explain the importance of break-even analysis in decision-making process.

68.Define break even point.

69.How many units of coffee should the shop sell to realize a profit of P8,000.00?

70.Calculate the new break even quantity if fixed costs increased to P30,000 while selling price increased by 25% and variable cost increased by 50%.

71.What is management accounting?

72: What is financial accounting?

73: What is cost accounting?

74: What is a management audit?

75: What is the main objective of management accounting

76.What is budgetary control?

77.What are the full forms of JIT, TOC, and TQM?

78.What is benchmarking?

79.What do you mean by total quality management?

80.What does the theory of constraints (TOC) mean?

81.What does ethics mean?

82.What is the value chain?

83.What is the budget?

84.What is the full meaning of IMA and CMA?

85.What is a performance report?

86.What is decision-making?

87.What are the commonly used techniques in management accounting?

88.Who are the users of managerial accounting information?

89.What is the nature of management accounting?

90.Are there any legal requirements to prepare reports in management accounting?

91.What are the roles of management accounting in an organization?

92.What is the purpose of management accounting?

93.What are the consequences of management accounting in a modern business?

94.What is the scope of management accounting?

95.What are the consequences of management accounting in a modern business?

96.What is the nature of management accounting?

97.Are there any legal requirements to prepare reports in management accounting?

98.What are the full forms of JIT, TOC, and TQM?

99.What is the value chain?

100.What are the ethical responsibilities of management accounting?

**LONG TYPE QUESTION**

1.A company produces 500 units at a variable cost of rs200 per unit. The price is rs250 per unit and there are fixed expenses of Rs12,000 per month.

For this question, calculate Break-even point in terms of both units and sales. Also, show the profit at 90% capacity?

2.For a company, sales are rs80,000, variable costs are 4,000, and fixed costs are 4,000. Calculate the following: (i) PVR, (ii) BEP (Sales), (iii) Margin of Safety, and (iv) Profit.

3.From the following information, find out PVR and sales at BEP.

Variable cost per unit = rs15

Sales per unit = rs20

Fixed expenses = rs54,000

What should the new selling price be if BEP for units is reduced to 6,000 units?

4.Calculate (i) PVR, (ii) BEP, and (iii) Margin of Safety based on the following information:

Sales = rs100,000

Total cost = rs80,000

Fixed cost = rs20,000

5.The National Company has just been formed. They have a patented process that will make them the sole suppliers of Product A.

During the first year, the capacity of their plant will be 9,000 units, and this is the amount they will be able to sell. Their costs are:

Direct labor = $15 per unit

Raw materials = $5 per unit

Other variable costs = $10 per unit

Fixed costs = $240,000

 If the company aims to make a profit of $210,000 for the first year, what should the selling price be? What is the contribution margin at this price?

1. If, at the end of first year, the company aims to increase its volume, how many units will they have to sell to realize a profit of $760,000 given the following conditions?
2. If, at the end of first year, the company aims to increase its volume, how many units will they have to sell to realize a profit of $760,000 given the following conditions?
3. What are the major differences between managerial and financial accounting?
4. Identify the three elements of cost incurred in manufacturing a product and indicate the distinguishing characteristics of each.

Why might a company claim that the total cost of employing a person is $15.30 per hour when the employee’s wage rate is $10.50 per hour? How should this difference be classified and why?

1. Why are certain costs referred to as period costs? What are the major types of period costs incurred by a manufacturer?
2. Explain why the income statement of a manufacturing company differs from the income statement of a merchandising company.
3. What is the general content of a statement of cost of goods manufactured? What is its relationship to the income statement?
4. What is the process for preparation of ZBB .

13.What do you mean by cost accounting? Distinguish between cost accounting and management accounting?

14.What do you mean by elements of cost? Explain in detail and how these elements are presented in the form of a cost sheet?

15.What is costing? Discuss the various techniques of costing used in the business.

16.“The method of costing depends on the nature of product, production

methods and specific

 business conditions”. Explain this statement.

 17.Give five examples for each of the followings.

 Variable Costs

 Semi Variable Costs

 Fixed Costs

18.“Cost sheet is a statement prepared to show the different components of total cost”. Do you

agree? Give reasons.

19.Explain the concept of marginal costing and distinguish between marginal costing and absorption costing.

20.What do you understand by the term break even analysis and how does this help in business decisions?

21.“The rate of earning

 profit mainly depends upon the magnitude of the angle of incidents

 projected on break even chart”. Explain as to whether this statement is correct. What

measures can be adopted to increase the magnitude of the angle of incidents?

22.Mention the broad principles on which overhead expenses are generally apportioned. Upon what basis would you apportion the following expenses to individual cost centers in an engineering unit?

Rent and Rates &power&life insurance corporation

23.What is management accounting? Discuss the nature, scope, objectives and role of management accounting

24. Differentiate between cost accounting, management accounting and financial accounting.

25. Discuss the limitations and advantages of ratio analysis. Classify Ratio

26.Write short notes on- Trend Analysis5. Difference between common size and comparative statements

27. Difference between vertical and horizontal analysis

28. Format-Direct and indirect method and types of cash flow-operating, financing and investing activities8. Discuss the types of budgeting and budgetary control, process by which budgets are prepared(steps)

29. Difference between budgeting and budgetary control

30. Merits, demerits and objectives of budgetary control

31.Difference between fixed and flexible budgeting

32. Difference between traditional and performance budgeting

33. Zero Based Budgeting-meaning and importance

34. Difference between marginal and absorption costing

35. Income statement of marginal and absorption costing

36. Meaning and applications of CVP analysis?

37. What is break even analysis- algebraic and graphical methods

38. Short notes on angle of incidence and margin of safety

39. What is decision making. Discuss the steps and importance of decision making in business.

40. Types of decision making?

41.Limitations and advantages of financial statements?

42.Difference between standard costing and historical costing?

43.How does management accounting improve operational efficiencies, decrease operating costs and benefit senior leadership with decisions that impact product/service lines, mergers/acquisitions, and course corrections?

44.Where can management accounting knowledge be applied, and what can I do with a mastery of management accounting? Is there ease in transferring this skill across industries? What options exist should I want to pursue a different path mid-career?

45.What can’t or shouldn’t a managerial accountant do? For example, a managerial accountant can tell a sales manager if the retail sales department shows a profit or not, but what are they expected to do after that? Is that their problem to solve?

46.What is management accounting? How is it different than financial accounting?

47.Is the CMA similar to the CGMA credential offered by an AICPA/CIMA partnership?

48.What roles can a management accounting career lead to?

49.What does a management accountant do?

50.What types of reports do management accountants prepare?

51.Do management accountants prepare financial statements? If so, which ones?

52.Do management accountants still need to be skilled in Microsoft Excel or have times changed? If so, what are key things to know about it?

53.Is management accounting a rules-based or framework-based career?

54.Do management accountants need to be skilled at communication?

55.What skillset within management accounting has emerged in the last 5 years and is in high demand?

56.As a student, how can I get started with a career in management accounting?

57.How much do management accountants typically earn? Is the field growing?

58.What are some managerial accounting issues?

59.Who are the users of management accounting information?

60.State the limitations of ratio analysis.

61.From the following information calculate interest coverage ratio. Net profit after interest and tax ₹ 1,20,000; Rate of income tax 40% ; 15% debentures ₹ 1,00,000; 12% mortgage loan ₹ 10,000

62.The quick ratio of Z Ltd is 1 : 1 State with reason which of the following transactions would (a) increase, (b) decrease or (c) not change the ratio

(i) Included in the trade payables was a bills payable of ₹ 3,000 which was met on maturity.

(ii) Debentures of ₹ 50,000 were converted into equity shares.

63.X Ltd has a current ratio of 3 : 1 and quick ratio of 2 : 1. If the excess of current assets over quick assets as represented by inventory is ₹ 40,000, calculate current assets and current liabilities.

64.The current ratio of Y Ltd is 2 : 1. State with reason, which of the following transactions would (a) increase, (b) decrease or (c) not change the ratio

(i) Trade receivables included debtors of ₹ 40,000 which were received Company purchased furniture of ₹ 45,000. The vendor was paid by issue of equity shares of ₹ 10 each at par .

65.The quick ratio of a company is 2 : 1. State giving reasons, (for any four) which of the following would improve, reduce or not change the ratio

(i) Purchase of machinery for cash

(ii) Purchase of goods on credit

(iii) Sale of furniture at cost

(iv) Sale of goods at a profit

(v) Cash received from debtors

66.From the following information, calculate any two of the following ratios

(i) Current ratio

(ii) Debt equity ratio

(iii) Inventory turnover ratio

Information:

Revenue from operations (Net sales) ₹ 5,00,000, opening inventory ₹ 7,000, closing inventory ₹ 4,000 more than the opening inventory, net purchase ₹ 1,00,000 less than revenue from operations, operating expenses ₹ 30,000, liquid assets ₹ 75,000, prepaid expenses ₹ 2,000, current liabilities ₹ 60,000, 9% debentures ₹ 3,00,000, long-term loan from bank ₹ 1,00,000, equity share capital ₹ 10,00,000 and 8% preference share capital ₹ 2,00,000

1. Y Ltd’s profits after insterest and tax was ₹ 1,00,000. Its current assets were ₹ 4,00,000 current liabilities ₹ 2,00,000; fixed assets ₹ 6,00,000 and 10% long-term debt ₹ 4,00,000. The rate of tax was 20%. Calculate ‘Return on Investment of Y Ltd.
2. 68.A company earn gross profit 25% on cost. For the year ended 31st March, 2017 its gross profit was ₹ 5,00,000; equity share capital of the company was ₹ 1,00,00,000; reserves and surplus ₹ 2,00,000; long-term loan ₹ 3,00,000 and non-current assets were ₹ 10,00,000.Compute the ‘working capital turnover ratio of the company.

69.The quick ratio of a company is 0.8 : 1. State with reason whether the following transactions will increase, decrease or not change the quick ratio

(i) Purchase of loose tools ₹ 2,000.

(ii) Insurance premium paid in advance ₹ 500.

(iii) Sale of goods on credit ₹ 3,000.

(iv) Honoured a bills payable ₹ 5,000 on maturity.

70.What is meant by “liquidity of business’?

(ii) From the following information calculate operating ratio

Revenue from operations 7 6,80,000, rate of gross profit on cost 25%, selling expenses ₹ 1,44,000, administrative expenses ₹ 73,000.

71.What are the salient characteristics of budgetary control?

72.What are the differences in budget, budgeting, and budgetary control?

73.Discuss the components of budgetary control system.

74.State the primary objective of preparing a cash flow statemen

75.Interest received and paid’ is considered as which type of activity by a finance company while preparing a cash flow statement?

76.What Is Financial Leverage, and Why Is It Important?

77.State how personal bias can get reflected in ratio analysis.

78.What is meant by ‘profitability ratios'?

79.A company had current assets ₹ 3,00,000 and current liabilities ₹ 1,40,000. Afterwards, it purchased goods worth ₹ 20,000 on credit. Calculate the current ratio after the purchase of goods.

80.From the following information calculate interest coverage ratio. Net profit after interest and tax ₹ 1,20,000; Rate of income tax 40% ; 15% debentures ₹ 1,00,000; 12% mortgage loan ₹ 10,000.

81.The quick ratio of Z Ltd is 1 : 1 State with reason which of the following transactions would (a) increase, (b) decrease or (c) not change the ratio

(i) Included in the trade payables was a bills payable of ₹ 3,000 which was met on maturity.

(ii) Debentures of ₹ 50,000 were converted into equity shares. (Delhi 2014)

Answer:

(i) Not change the ratio Simultaneous decrease in both current assets and current liabilities will not effect the quick ratio.

(ii) Not change the ratio Debentures converted into shares do not effect either quick assets or current liabilities. Therefore, quick ratio will not be effected.

82.X Ltd has a current ratio of 3 : 1 and quick ratio of 2 : 1. If the excess of current assets over quick assets as represented by inventory is ₹ 40,000, calculate current assets and current liabilities.

83.Quick ratio of a company is 1 : 1. State, with reason, whether the following transactions will increase, decrease or not change the ratio

(i) Paid insurance premium in advance ₹ 10,000.

(ii) Purchased goods on credit ₹ 8,000.

(iii) Issued fully paid equity shares of ₹ 1,00,000.

(iv) Issued 9% debentures of ₹ 5,00,000 to the vendor for machinery purchased.

84.Assuming that the debt equity ratio is 2 : 1. State giving reasons whether this ratio would increase, decrease or remain unchanged in the following cases. (Any four)

(i) Purchase of fixed assets on a credit of two months

(ii) Purchase of fixed assets on long-term deferred payment basis

(iii) Issue of new shares for cash

(iv) Issue of bonus shares

(v) Sale of fixed assets at a loss of ₹ 3,000.

85.OM Ltd has a current ratio of 3.5 : 1 and quick ratio of 2 : 1. If the excess of current assets over quick assets as represented by inventory is ₹ 1,50,000, calculate current assets and current liabilities.

86.Quick ratio of a company is 1 : 1. State, with reason, whether the following transactions will increase, decrease or not change the ratio

(i) Paid insurance premium in advance ₹ 10,000.

(ii) Purchased goods on credit ₹ 8,000.

(iii) Issued fully paid equity shares of ₹ 1,00,000.

(iv) Issued 9% debentures of ₹ 5,00,000 to the vendor for machinery purchased

87.What is management accounting? Discuss the nature, scope, objectives and role of management accounting

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97. Zero Based Budgeting-meaning and importance

 98.Difference between marginal and absorption costing

99. Income statement of marginal and absorption costing18. Meaning and applications of CVP analysis.

100.meaning and application of CVP analysis.