

Dr. Babasaheb Ambedkar Open University Term End Examination July – 2021

Course : BBA	Date : 09-Aug-2021
Subject Code : BBA-502(NEW)	Time : 01:00pm to 03:00pm
Subject Name : Management Accounting	Duration : 02 Hours
	Max. Marks : 50

Section A

Answer the following (Attempt any two) (20)

1. What is Management Accounting? Explain scope of Management Accounting.
2. Explain Objectives of Management Accounting.
3. Discuss Fund Flow Statement Analysis.
4. Difference between Cash Flow and Fund Flow Statement.

Section B

Answer the following (Attempt any three) (15)

1. Write a short note on Cash Flow Statement.
2. Which are the rules for Preparing Funds Flow Statement?
3. Which are the needs of Working Capital?
4. Explain Determinants of Working Capital.
5. Write a note on Sources of Long Term Finance.

Section C

Part – A (Multiple Choice Questions) (10)

- 1 Management accounting assists the management_____

A In control	B In direction
C In planning	D All of above
- 2 Management accountancy is a structure for_____

A Costing	B Accounting
C Decision making	D Management
- 3 As _____statement are most valuable in marketing comparisons among the companies in the some industry.

A income	B common size
C data	D user
- 4 The accounting standard certifies Cash Flow as:_____

A Operating and investing activities	B Investing and financing activities
C Operating and financing activities	D Operating, financing investing activities
- 5 In Fund Flow Statement, when current liability increases:_____

A working capital will decrease	B working capital will increase
C no effect on working capital	D none of above
- 6 Working capital management is a methodology used by company to handle_____

A management issues	B salary issues
C relationship among assets - liabilities	D all of above

- 7 The idea of working capital management is to _____
A avoid over investment in current asset B avoid under investment in current assets
C both a and b D neither a nor b
- 8 Debt-Equity Ratio help to study?
A Solvency B Liquidity
C Profitability D Turnover
- 9 Which of the following is a measure of Debt Service capacity of a firm?
A Current Ratio B Acid Test Ratio
C Interest Coverage Ratio D Debtors Turnover
- 10 Equity Shareholders are also called as _____ of the company.
A Preference shares B Residual owners
C Cumulative preference shares D Redeemable preference shares

Part – B (Do as Directed)

(05)

State whether the following statements are true or false

- 1 The term management accounting was first coined in 1960
- 2 Management accounting is Subjective.
- 3 All financial accounting procedures should be Clear and strictly followed.
- 4 Financial accounting does not take into account the Monetary facts.
- 5 Financial statements are regarded as Indices of an enterprises performance.

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