

2016

(4th Semester)

COMMERCE

Paper No. : BC-403

(Accounting for Managerial Decision)

(PART : A—OBJECTIVE)

(Marks : 25)

The figures in the margin indicate full marks for the questions

1. Choose the correct answer and place its code in the brackets provided : 1×5=5

(a) Financial accounting is a specialized branch of accounting that keeps track of a company's

(i) special reports

(ii) financial transactions

(iii) decision-making

(iv) standard costing

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(b) The responsibility of management accountant is to help management in taking correct

(i) policy decisions

(ii) industrial relations decisions

(iii) evaluation decisions

(iv) All of the above

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(c) The assumptions of break-even analysis relates to

(i) monthly fixed cost

(ii) yearly fixed cost

(iii) quarterly fixed cost

(iv) None of the above

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(d) Which of the following is not a type of analysis and interpretation of financial statements?

(i) Trend analysis

(ii) Vertical analysis

(iii) Ratio analysis

(iv) Marginal analysis

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(e) Reports to the management may be presented in the form of

(i) oral reports

(ii) video reports

(iii) group reports

(iv) sales reports

2. Fill in the blanks :

1×5

(a) is the basic function of financial accounting.

(b) Management accounting is an subject.

(c) Marginal costing is based on the distinction between and

(d) In the horizontal analysis, the figures of the financial statements are analyzed

(e) Reports prepared for the use of outsider are known as

3. State whether the following statements are *True (T)* or *False (F)* by putting a Tick (✓) mark : 1×5=5

(a) Accounting is a service activity.

(T / F)

(b) The objective of management accounting is to minimize the wealth of the organization.

(T / F)

(c) A fixed cost is one which remains unchanged in total amount over a wide range of production level.

(T / F)

(d) The measurement of cash flow constitutes two aspects determining the inflows of cash and outflows of cash.

(T / F)

(e) Reporting is a systematic process of communication.

(T / F)

(5)

4. Write on the following in 4 to 5 sentences each :

2×5=10

(a) Financial Accounting

(b) Management Information System

Write on the line (T) for True and (F) for False by putting a tick mark.

(a) Financial Accounting

Accounting is a service activity.

(T / F)

The objective of management accounting is to provide information to assist the evaluation of the performance of the organization.

(T / F)

A fixed cost is one which remains unchanged in total amount over a wide range of production level.

(T / F)

The measurement of cash flow consists of two aspects determining the inflow of cash and outflows of cash.

(T / F)

Reporting is a systematic process of communication.

(7)

(c) Break-even Analysis

(d) Trend Analysis

(e) Oral Reports