

**Department of Accounting
College of Business Administration
(CBAAK), Al-Kharj**

SAMPLE OF QUIZZES
**PRINCIPLES OF MANAGERIAL
ACCOUNTING (ACCT-104)**

Name of the Student:

Class Roll No.

University No.:

Date:

Marks:15

PRINCIPLES OF MANAGERIAL ACCOUNTING

ATTEMPT ALL QUESTIONS

1.The branch of accounting that produces information for managers within an organization is known as

_____.

QUIZ

2. “Management Accounting is the application of appropriate techniques and concepts in processing historical and projected economic data of an entity to assist management in establishing plans for reasonable economic objectives in the making of rational decisions with a view towards achieving these objectives. ”

This definition IS given by

- i. American Accounting Association**
- ii. Indian Accounting Association**
- iii. Anglo-American Council of Productivity
- iv. Canadian Accounting Association**

Choose the correct answer

QUIZ

3. A firm communicates financial information to the users through _____ and _____.

4. Whther this statement is True or False

The term 'financial statement' as used in modern business refers to the two statements prepared at the end of an accounting period for a business enterprise. They are balance sheet and the Income Statement (profit and loss statement).

Answer:

QUIZ

5. **Income Statement** displays the revenues recognized for a specific period. **True or False**

Answer:

6. The comparative financial statements are very useful to an analyst because they contain not only the _____ appearing in a single statement but also _____ necessary for the study of financial and operating trends over a period of years.

QUIZ

7. Common Size Statement is the technique under which the totals of assets or liabilities in case of balance sheet and the figures of net sales in case of profit and loss account are taken equal to 100 .
True or False

ANSWER

8. Common size Statement technique of analysis is useful when we wish to compare one company with another for presentation of the data in _____ form.

QUIZ

9. Ratios enable data to be summarized and simplified for presentation to management for _____ managerial decisions.
10. Expression of Ratio can be done by:
- i. Pure Ratio
 - ii. As Turnover or Rate
 - iii. As Percentage
 - iv. All the above three

Which statement is True

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Mid Term Exam – 1 & 2

MODEL PAPER

**PRINCIPLES OF MANAGERIAL
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MID TERM EXAM – 1 & 2

MODEL PAPER

PRINCIPLES OF MANAGERIAL ACCOUNTING (ACCT-104)

ATTEMPT ANY 5 QUESTIONS

1.What do you mean by Analysis of Financial Statements? Also explain its procedure.

MID TERM

2. Define Managerial Accounting. How does it differ from Financial Accounting?
3. What do you understand by Common-Size Financial Statements? Also explain the procedure of preparing Common-size Balance Sheet.

MID TERM

4. What do you understand by 'Ratio Analysis'? Explain two ratios for judging long term solvency position of the firm.

5. What do you mean by Break-even Analysis? How is it calculated?

MID TERM

6. From the following find out:

- i. P/V Ratio
- ii. Break Even Point
- iii. Net Profit on the sales of 3,00,000 S.R.
- iv. Required sales to earn a net profit of 30,000 S.R.

PARTICULARS	AMOUNT IN S.R.
SALES	2,00,000
VARIABLE COSTS	<u>1,50,000</u>
CONTRIBUTION	50,000
FIXED COSTS	<u>30,000</u>
PROFIT	20,000

7. The following information is given for a company whose accounting year ends on 31st March, 2009

PARTICULARS	AMOUNT IN S.R.
Equity Share Capital	2,00,000
8% Preference Share Capital	1,00,000
Reserves & Surplus	1,00,000
10% Debentures	1,25,000
Current Liabilities	1,75,000
Fixed Assets	4,00,000
Current Assets	3,00,000
Net Profit after Tax	78,000
Income Tax	78,000
CALCULATE RETURN ON CAPITAL EMPLOYED	

8. From the following particulars, calculate Debt-Equity Ratio

Particulars	Amount in S.R.
Equity Share Capital	1,00,000
Preference Share Capital	50,000
General Reserve	1,30,000
Profit & Loss Account	20,000
10% Debentures	1,00,000
Bank Overdraft	20,000
Creditors	40,000
Provision for Taxes	40,000
Outstanding Expenses	35,000
Proposed Dividend	65,000

MID TERM

9. TRUE OR FALSE

(i) The term 'financial statement' as used in modern business refers to the two statements prepared at the end of an accounting period for a business enterprise. They are balance sheet and the Income Statement (profit and loss statement).

ANSWER

MID TERM

(ii) Common Size Statement is the technique under which the totals of assets or liabilities in case of balance sheet and the figures of net sales in case of profit and loss account are taken equal to 100 . True or False

ANSWER

MID TERM

(iii) Expression of Ratio can be done by:

- i. Pure Ratio
- ii. As Turnover or Rate
- iii. As Percentage
- iv. All the above three

ANSWER

MID-TERM

- (IV). Profit is the ultimate output of a accompany and it will have no future if it fails to make sufficient profits.**
- (V). In the business, as the margin of safety increase the chances of loss of business decreases.**

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FINAL EXAMINATION

MODEL PAPER

**PRINCIPLES OF MANAGERIAL
ACCOUNTING (ACCT-104)**

Name of the Student:

Class Roll No.

Date:

University No.:

Marks: 40

FINAL EXAM

PRINCIPLES OF MANAGERIAL ACCOUNTING

ATTEMPT ANY FIVE QUESTIONS

1.Fill in the Blanks

- i. The branch of accounting that produces information for managers within an organization is known as _____.
- ii. The comparative financial statements are very useful to an analyst because they contain not only the _____ appearing in a single statement but also _____ necessary for the study of financial and operating trends over a period of years.

FINAL EXAM

- iii. Ratios enable data to be summarized and simplified for presentation to management for _____managerial decisions.
- iv. If the Trial Balance does not tally it indicates that some _____have been committed.

2. TRUE OR FALSE STATEMENT

- i. There are three types of Income Statements.
- ii. Ratios did not enable data to be summarized and simplified for presentation to management for taking managerial decisions.
- iii. Income Statement displays the revenues recognized for a specific period.

FINAL EXAM

iv. A firm communicates financial information to the users through financial statements and reports.

3. Explain the meaning and techniques of Trend Analysis and highlight the importance of Trend Analysis in Financial Analysis.

4. What is meant by the term Margin of Safety? How is it calculated?

5. Define Financial Ratios. Name the various ratios to judge the profitability of the organisation.

6. What is Income Statement? Explain the various types of Income Statement.

7. From the following figures prepare Common Size Balance Sheet:

M/s Sultan Ahmed Minerals Limited
Balance Sheet
As on 31st March, 2009 (S.R. IN lakhs)

Assets	2009	Liabilities	2009
Fixed Assets	8,800	Equity Share Capital	10,000
Current Assets	7,000	Long-term Borrowings	5,800
	15,800		15,800

8. From the following information , Calculate the return on Shareholders' Investment

PARTICULARS	AMOUNT IN S.R.
Equity Share Capital	2,00,000
8% Preference Share Capital	1,00,000
General Reserves	60,000
Capital Reserve	50,000
12% Debentures	3,00,000
Net Profit before Interest and Tax	2,50,000
Interest Charges	36,000
Tax Rate	40%

FINAL EXAM

9. Given the following figures:

PARTICULARS	AMOUNT
FIXED COSTS	16,000
SELLING PRICE PER UNIT	8
VARIABLE COST PER UNIT	5

Show the impact of the following changes on break even point:

- i. Fixed Cost increase by 5,000 S.R.**
- ii. Decrease in Fixed Costs by 4,000 S.R.**
- iii. 20% increase in variable cost**
- iv. Fixed Cost increase by 20% and variable costs decreased by 10%**