

Time: One Hour

Max. Marks: 25

Instructions

Solve any 25 questions from Q.1 to Q.30

- 1 A budget is a plan of action expressed in  
(A)Only in Financial Terms (B)Financial as well as non-financial terms(C)Subjective matter (D)None of these
- 2 Budget is prepared for  
(A)Only 06 Month period (B)Only 01 year period (C)Definite period (D)None of these
- 3 Budgetary control system acts as a friend, philosopher and guide to  
(A)Management (B)Share holders (C)Creditors (D)Employees
- 4 Usually the production budget is stated in terms of  
(A)Money or Rupee only (B)Quantity or unit only (C)Both (D)None of these
- 5 Budget period depends upon...  
(A)The type of budget (B)The nature of business (C)The length of trade cycles (D)All of these
- 6 The budgets are classified on  
(A)Time basis (B)Function basis (C)Flexibility basis (D)All of these
- 7 Sales budget shows the sales details as  
(A)Month wise (B)Product wise (C)Area wise (D)All of the above
- 8 The Operating profit as per Cash flow method is  
(A)Added to the opening balance of cash (B)Deducted from the opening balance of cash (C)Not included in cash budget (D)None of the above
- 9 While Preparing Cash budget under cash flow method the payment of dividends and prepaid payments are  
(A)Added to opening balance of cash (B)Deducted from opening balance of cash(C)Not included in cash budget (D)None of the above
- 10 When the budgeted Purchases for month of December, January, February, and March are Rs. 4000 Rs 5,000, Rs 6,000, Rs 7,000. The time-lag in payment of payment is one month. Determine the amount of payable in each month January to March.  
(A)Rs 2000, Rs 4,500 and Rs 5,500 (B)Rs 5,000, Rs 6,000 and Rs 7,000 (C)Rs 4,000, Rs 5,000 and Rs 6,000 (D)Non of theses
- 11 The Functional budget is the example of  
(A)Production budget (B)Sales Budget (C)Cash budget (D)All of these
- 12 The Manager is responsible to prepare Sale Budget  
(A)Production Manager (B)Sales Manager (C)General manager (D)None of these
- 13 The Production Budget based on  
(A)Cash Budget (B)Capital Budget (C)Sales Budget (D)None of these
- 14 The Purchase Budget based on  
(A)Cash Budget (B)Capital Budget (C)Sales Budget (D)None of these
- 15 The sum total of all the divisional budgets is ?  
(A)Rolling budget (B)Master budget (C)Zero budget (D)None of these
- 16 A budget is a budget which is designed to remain unchanged.  
(A)Fixed budget (B)Variable budget (C)Semi Variable budgets (D)None of these
- 17 Which of the following budgets is prepared last?  
(A)Budgeted income statement (B)Capital expenditures budget (C)manufacturing budget (D)budgeted balance sheet
- 18 A manager who is responsible for only cost of the company belongs to  
(A)Profit center (B)Cost center (C)Revenue Center (D)none of these
- 19 A manager who is responsible for both cost and revenue of the company belongs to  
(A)Investment center (B)Profit center (C)Revenue Center (D)none of these
- 20 The large number of subordinates and higher level manager are termed as  
(A)Broader Responsibility center (B)Broader Subordinate (C)Activity Subordinate (D)none of these
- 21 The responsibility accounting emphasizes the performance of  
(A)System (B)Men (C)Both (D)None of these
- 22 The responsibility accounting is also called  
(A)Profitability accounting (B)Activity accounting (C)Both (D)None of these
- 23 The responsibility accounting is the part of  
(A)Financial accounting (B)Management accounting (C)Mechanized accounting (D)None of these
- 24 The subdivision of responsibility center is  
(A)Cost center (B)Profit center (C)Investment center (D)All of the above
- 25 According to responsibility accounting, the entire organization is divided into various  
(A)Business center (B)Profit center (C)Responsibility center (D)None of these
- 26 If the responsibility center gets more revenue from output, then it is called

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- (A) Investment center                      (B) Cost center                      (C) Profit center                      (D) Expense center
- 27 The use of management accounting is
- (A) Optional                      (B) Compulsory                      (C) Legally obligatory                      (D) Compulsory to some and optional to others
- 28 The management accounting can be stated an extension of
- (A) Cost Accounting                      (B) Financial Accounting                      (C) Responsibility Accounting                      (D) All of these
- 29 Who coined the concept of management accounting?
- (A) R.N Anthony                      (B) James H. Bliss                      (C) J. Batty                      (D) American Accounting Association
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