

1. Management accounting serves as a vital source of data for _____ .
 - a. Management Planning
 - b. Cost planning
 - c. Accounts planning
 - d. Decision making
2. Current ratio = _____.
 - a. Current assets/current liabilities
 - a. Quick assets/current liabilities
 - b. Net profit/sales
 - c. Gross profit/sales
3. Working capital = _____.
 - a. Working assets(-) working liabilities
 - b. Current assets(-) current liabilities
 - c. Quick assets(-) current liabilities
 - d. Current liabilities/current assets
4. A _____ system facilitates delegation of authority.
 - a. Budgetary control
 - b. Marginal costing
 - c. Cost of capital
 - d. Break even point
5. The objective of _____ is to secure optimum working capital
 - a. Flexible budget
 - b. Zero based budget
 - c. Cash budget
 - d. Production budget
6. The process of providing information to the management is known as _____.
 - a. Lower level reporting
 - b. Management reporting
 - c. Written reporting
 - d. Good reporting
7. _____ is a written document which carries the information.
 - a. Input
 - b. Report
 - c. Ratios
 - d. Production
8. WACC means _____.
 - a. Weighted Average Cost of Carriage
 - b. Weighted Average Cost of Capital
 - c. Written Average Cost of Capital
 - d. Written Annual Cost of Capital
9. In IRR, for evaluation of more than 1 project, project with _____ IRR is chosen.
 - a. Higher
 - b. Lower
 - c. Average
 - d. Lowest
10. _____ per unit is the difference between the selling price of a production or service and its marginal cost.
 - a. Break even point
 - b. Margin of safety
 - c. Contribution
 - d. Fixed cost
11. _____ represents the level of activity at which sales revenue is equal to total cost.
 - a. Margin of safety
 - b. P/V. ratio
 - c. Contribution
 - d. Break even point
12. _____ is a statement either prospective or retrospective, setting out the sources and applications of the fund of an enterprise.

a. Cash flow statement

b. Fund flow statement

c. Ratio analysis

d. Financial statements
