

- Q.19 Discuss the concept of compounding techniques.
- Q.20 What are the different sources of funds in fund flow statement?
- Q.21 Discuss the different uses of cash in cash flow statement.
- Q.22 Discuss the cash flow from operating activities.

### SECTION-D

**Note:** Long answer type questions. Attempt any two questions out of three questions. (2x8=16)

- Q.23 What is time value of money? Discuss the Discounting and Compounding techniques.
- Q.24 Discuss the nature and function of Management accounting.
- Q.25 What is Fund flow statement? Prepare a fund flow statement with imaginary figures.

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### 4th Sem./ Finance , Accounts & Auditing

### Subject : Management Accounting

Time : 3 Hrs.

M.M. : 60

### SECTION-A

**Note:** Multiple choice questions. All questions are compulsory (6x1=6)

- Q.1 Which of the following is NOT a function of management accounting?
- Cost estimation
  - Financial statement preparation
  - Budgeting
  - Performance evaluation
- Q.2 Which of the following ratios measures a company's liquidity?
- Debt-to-equity ratio
  - Return on investment (ROI)
  - Current ratio
  - Price-earnings ratio
- Q.3 A high current ratio indicates:
- Strong liquidity
  - Weak liquidity
  - High profitability
  - Low profitability

- Q.4 What is the process of converting future cash flows into their present value equivalent ?  
 a) Future valuation      b) Present valuation  
 c) Discounting            d) Compounding
- Q.5 Which formula is used to calculate the future value of a single cash flow?  
 a) Present value formula  
 b) Future value formula  
 c) Discounting formula  
 d) Compounding formula
- Q.6 Which financial statement is used to reconcile the changes in the cash balance during a specific period?  
 a) Income statement  
 b) Balance sheet  
 c) Cash flow statement  
 d) Statement of retained earning

### SECTION-B

**Note:** Objective/ Completion type questions. All questions are compulsory. (6x1=6)

- Q.7 The fund flow statement provides insights into the sources and uses of funds, helping stakeholders understand the company's financial position. (True/False)
- Q.8 Cash flow from operating activities includes cash inflows and outflows related to investing in securities. (True/False)

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- Q.9 Cash flow from operating activities is calculated using the direct method or the indirect method. (True/False)
- Q.10 Fund flow statements primarily provide information about the sources and uses of funds. (True/False)
- Q.11 A positive fund flow indicates that more funds were generated than utilized during the period. (True/False)
- Q.12 The future value of an investment represents the value of the investment at a future point in time, according for interest earned or accrued. (True/False)

### SECTION-C

**Note:** Short answer type questions. Attempt any eight questions out of ten questions. (8x4=32)

- Q.13 Define management accounting and discuss its nature.
- Q.14 What are the different functions of Management Accounting?
- Q.15 What are the different objectives of cash flow analysis?
- Q.16 Discuss the method of solvency ratios.
- Q.17 What are the key techniques or methods used in time value of money calculations?
- Q.18 Explain the significance of discounting in time value of money calculations.

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