

Information

Question Paper

Question **2**

Not yet  
answered

Marked out of  
1.00

What will be journal entry when salary is paid by cheque?

Select one:

- ☐ a. Bank A/c debit, Salary A/c credit
- ☐ b. Cash A/c debit, Salary A/c credit
- ☒ c. Salary A/c debit, Bank A/c credit
- ☐ d. Salary A/c debit, Cash A/c credit

[Clear my choice](#)

Question **3**

Not yet  
answered

Marked out of  
1.00

What does credit mean in business?

Select one:

- ☒ a. Receives benefit
- ☐ b. It has no effect on business
- ☐ c. It depends upon items
- ☐ d. Provides benefits

[Clear my choice](#)

Question **4**

Not yet  
answered

Marked out of  
1.00

Main object of preparing a Journal is?

Select one:

- ☐ a. to journalise the cash transactions
- ☐ b. to make postings in the ledger
- ☐ c. to ascertain the financial position of the business
- ☒ d. to record the business transactions first of all

[Clear my choice](#)

Question **5**

Not yet  
answered

Marked out of  
1.00

Which of these best explains fixed assets?

Select one:

- ☐ a. Are items which will not wear out quickly
- ☐ b. Are bought to be used in the business
- ☒ c. Are of long life and are not purchased specifically for resale
- ☐ d. Are expensive items bought for the business

[Clear my choice](#)

Question **6**

Not yet  
answered

Marked out of  
1.00

According to which concept business enterprise is separate from its owner?

Select one:

- ☐ a. Money measurement concept
- ☒ b. Entity concept
- ☐ c. Matching concept
- ☐ d. Dual aspect concept

[Clear my choice](#)

Question **7**

Not yet  
answered

Marked out of  
1.00

Accounting furnishes data on?

Select one:

- ☐ a. Company's tax liability for a particular year
- ☒ b. All the above
- ☐ c. Income and cost for the managers
- ☐ d. Financial conditions of the institutions

[Clear my choice](#)

Question **8**

Not yet  
answered

Marked out of  
1.00

Long term assets having no physical existence but possessing a value are called?

Select one:

- ☐ a. Current assets
- ☒ b. Intangible assets
- ☐ c. Fixed assets
- ☐ d. Investments

[Clear my choice](#)

Question **9**

Not yet  
answered

Marked out of  
1.00

Which of the options is not an intangible asset?

Select one:

- ☒ a. Goodwill
- ☐ b. Land
- ☐ c. Franchise rights
- ☐ d. Patents

[Clear my choice](#)

Question **10**

Not yet  
answered

Marked out of  
1.00

Tell the nature of account of salary paid?

Select one:

- ☐ a. Cr
- ☒ b. Dr
- ☐ c. Both
- ☐ d. None

[Clear my choice](#)

Question **11**

Not yet  
answered

Marked out of  
1.00

In order to find out the value of the closing stock during the end of the financial year we?

Select one:

- ☐ a. deduct the cost of goods sold from sales
- ☐ b. look in the stock account
- ☒ c. do this by stocktaking
- ☐ d. deduct opening stock from the cost of goods sold

[Clear my choice](#)

Question **12**

Not yet  
answered

Marked out of  
1.00

The assets that can be easily converted into cash within a short period ie 1 year or less are known as?

Select one:

- ☐ a. Intangible assets
- ☐ b. Investments
- ☐ c. Fixed assets
- ☒ d. Current assets

[Clear my choice](#)

Question **13**

Not yet  
answered

Marked out of  
1.00

The process of recording financial data upto trial balance is?

Select one:

- ☐ a. Classifying
- ☒ b. Book keeping
- ☐ c. Summarising
- ☐ d. Analyzing

[Clear my choice](#)

Question **14**

Not yet  
answered

Marked out of  
1.00

Net profit is computed in the?

Select one:

- ☐ a. Trial balance
- ☒ b. Profit and loss account
- ☐ c. Balance sheet
- ☐ d. Trading account

[Clear my choice](#)

Question **15**

Not yet  
answered

Marked out of  
1.00

The process of recording financial data up to the trial balance is called?

Select one:

- ☐ a. Summarising
- ☒ b. Book keeping
- ☐ c. Analyzing
- ☐ d. Classifying

[Clear my choice](#)

Question **16**

Not yet  
answered

Marked out of  
1.00

Why does a business prepare a Trial Balance?

Select one:

- ☐ a. To calculate the profit and loss
- ☐ b. To check the cash and bank balance
- ☒ c. To check the arithmetical accuracy of the ledgers
- ☐ d. To show the financial position

[Clear my choice](#)

Question **17**

Not yet  
answered

Marked out of  
1.00

Which of the following is not a nominal Account?

Select one:

- ☐ a. Interest paid
- ☐ b. Salaries account
- ☐ c. Commission received
- ☒ d. Outstanding salaries Account

[Clear my choice](#)

Question **18**

Not yet  
answered

Marked out of  
1.00

Gross profit is?

Select one:

- ☐ a. Net profit fewer expenses of the period
- ☐ b. Cost of goods sold and Opening stock
- ☐ c. Sales fewer Purchases
- ☒ d. Excess of sales over cost of goods sold

[Clear my choice](#)

Question **19**

Not yet  
answered

Marked out of  
1.00

What shall be the amount of capital if cash is Rs 5000 furniture Rs 12000 stock Rs 30000 and creditors Rs 6000?

Select one:

- ☒ a. rupees 41000
- ☐ b. rupees 53000
- ☐ c. rupees 47000
- ☐ d. rupees 40000

[Clear my choice](#)

Question **20**

Not yet  
answered

Marked out of  
1.00

Final Account includes?

Select one:

- ☐ a. Profit and loss account
- ☐ b. Balance sheet
- ☐ c. Trading account
- ☒ d. all of the above

[Clear my choice](#)

Question **21**

Not yet  
answered

Marked out of  
1.00

Current liabilities are those obligations which are generally to be discharged in?

Select one:

- ☐ a. 1 week
- ☐ b. 1 day
- ☐ c. 1 Month
- ☒ d. 1 year

[Clear my choice](#)

Question **22**

Not yet  
answered

Marked out of  
1.00

The user of financial statement include?

Select one:

- ☐ a. Customers
- ☒ b. All of the above
- ☐ c. Lenders,suppliers and other trade creditors
- ☐ d. Government and other agencies

[Clear my choice](#)

Question **23**

Not yet  
answered

Marked out of  
1.00

The debts which are to be repaid within a short period a year or less are referred to as?

Select one:

- ☐ a. All the above
- ☐ b. Fixed liabilities
- ☐ c. Contingent liabilities
- ☒ d. Current Liabilities

[Clear my choice](#)

Question **24**

Not yet  
answered

Marked out of  
1.00

Copyrights Patents and Trademarks are?

Select one:

- ☐ a. Current assets
- ☐ b. Investment
- ☒ c. Intangible assets
- ☐ d. Fixed assets

[Clear my choice](#)

Question **25**

Not yet  
answered

Marked out of  
1.00

Purchase goods from Umang with cash should be credited to?

Select one:

- ☐ a. Umang account
- ☒ b. Cash account
- ☐ c. Bank account
- ☐ d. Purchase account

[Clear my choice](#)

Question **26**

Not yet  
answered

Marked out of  
1.00

If you want to ensure that your money will be secured if cheques sent are wasted in the post you should?

Select one:

- ☐ a. Always pay by cash
- ☐ b. Always get the money in person
- ☐ c. Not use the postal service in future
- ☒ d. Cross your Cheques Account Payee only Not Negotiable.

[Clear my choice](#)

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**Started on** Thursday, 15 October 2020, 12:52 PM  
**State** Finished  
**Completed on** Thursday, 15 October 2020, 1:36 PM  
**Time taken** 43 mins 23 secs  
**Grade** 13.00 out of 25.00 (52%)

Information



**PRACTISE QUIZ UNIT 2, Session (2020-21)**  
Program BCA  
Course Code and Name: BM228 ACCOUNTING AND FINANCIAL MANAGEMENT

Question 1  
Complete  
Not graded

Enter your Full Name and Roll number  
  
Roll Number: 1901018176  
Course Code and Name:BM228  
Program: BCA  
Year /Semester:2/3  
Section/Group: C

Question 2  
Complete  
Mark 1.00 out of 1.00

In Journal, the business transaction is recorded?

Select one:

- ☐ a. Once in a month
- ☐ b. Once in a week
- ☒ c. Same day
- ☐ d. Next day

Question 3  
Complete  
Mark 1.00 out of 1.00

The user of financial statement include?

Select one:

- ☒ a. All of the above
- ☐ b. Customers
- ☐ c. Government,and other agencies
- ☐ d. Lenders

Question **4**

Complete

Mark 0.00 out of 1.00

The nature of financial accounting is:

Select one:

- ☐ a. Analytical
- ☐ b. Forward looking
- ☐ c. Social
- ☒ d. Historical

Question **5**

Complete

Mark 1.00 out of 1.00

The process of transferring the debit and credit items from a journal to their respective account in the ledger is termed as?

Select one:

- ☐ a. Balancing
- ☐ b. Journalizing
- ☐ c. Summarizing
- ☒ d. Posting

Question **6**

Complete

Mark 1.00 out of 1.00

According to which concept, business enterprise is separate from its owner?

Select one:

- ☐ a. Matching concept
- ☒ b. Entity concept
- ☐ c. Dual aspect concept
- ☐ d. Money measurement concept

Question **7**

Complete

Mark 1.00 out of 1.00

Cash comes within the category of?

Select one:

- ☐ a. None
- ☐ b. wasting assets
- ☐ c. fixed asset
- ☒ d. current assets

Question **8**

Complete

Mark 1.00 out of 1.00

The properties owned by a business enterprise are called?

Select one:

- ☐ a. Capital
- ☒ b. Assets
- ☐ c. Owner's equity
- ☐ d. Liabilities



Question **9**

Complete

Mark 0.00 out of 1.00

Basic goal of Financial Management is?

Select one:

- ☐ a. to maximize the wealth of owners
- ☒ b. to maximize profit
- ☐ c. to maximize the return
- ☐ d. to minimize the risk

Question **10**

Complete

Mark 0.00 out of 1.00

"Anticipate no profit and provide for all possible losses" It belongs to which concept/convention?

Select one:

- ☐ a. Disclosure
- ☐ b. Consistency
- ☐ c. Conservatism
- ☒ d. Matching

Question **11**

Complete

Mark 0.00 out of 1.00

All those to whom business gives money to are?

Select one:

- ☒ a. Creditors
- ☐ b. Debtors
- ☐ c. Debenture Holders
- ☐ d. Shareholders

Question **12**

Complete

Mark 1.00 out of 1.00

Total assets in a business are Rs. 4, 00,000 and total liabilities are Rs. 1, 00,000. The difference is called?

Select one:

- ☐ a. Goodwill
- ☐ b. Income
- ☐ c. Balance Sheet
- ☒ d. Capital

Question **13**

Complete

Mark 1.00 out of 1.00

The rule regarding personal account is?

Select one:

- ☐ a. Debit what comes in, credit what goes out
- ☐ b. Debit all expenses and losses, credit all incomes and gains
- ☐ c. None of the above
- ☒ d. Debit the receiver, credit the giver

Question **14**

Complete

Mark 1.00 out of 1.00

Which concept should be followed to make comparison of financial statement of one year with that of another year?

Select one:

- ☐ a. Materiality
- ☐ b. Going concern
- ☒ c. Consistency
- ☐ d. Accrual

Information

## Question Paper

Question **15**

Complete

Mark 0.00 out of 1.00

A collection of all accounts is a \_\_\_\_\_?

Select one:

- ☐ a. Trial Balance
- ☐ b. Ledger
- ☐ c. Journal
- ☒ d. All of the Above

Question **16**

Complete

Mark 1.00 out of 1.00

The advantage of making Trial Balance is?

Select one:

- ☐ a. To check the cash and bank balance
- ☐ b. To calculate the profit and loss
- ☐ c. To show the financial position of the business
- ☒ d. To check the arithmetical accuracy of the ledgers

Question **17**

Complete

Mark 1.00 out of 1.00

The unfavourable balance of Profit and Loss account should be?

Select one:

- ☒ a. Subtracted from capital
- ☐ b. Subtracted from current assets
- ☐ c. Added in liabilities
- ☐ d. Subtracted from liabilities

Question **18**

Complete

Mark 0.00 out of 1.00

Purchase goods from Umang with cash should be credited to?

Select one:

- ☒ a. Umang account
- ☐ b. Purchase account
- ☐ c. Cash account
- ☐ d. Bank account

Question **19**

Complete

Mark 1.00 out of 1.00

Which of the following is not a nominal Account?

Select one:

- ☒ a. Outstanding salaries Account
- ☐ b. Interest paid
- ☐ c. Commission received
- ☐ d. Salaries account

Question **20**

Complete

Mark 0.00 out of 1.00

Final Account includes?

Select one:

- ☐ a. Trading account
- ☐ b. All of the above
- ☐ c. Profit and loss account
- ☒ d. Balance sheet

Question **21**

Complete

Mark 1.00 out of 1.00

The materiality principle urges to disclose matters that are?

Select one:

- ☒ a. Material
- ☐ b. None of the above
- ☐ c. Non-material
- ☐ d. Both

Question **22**

Complete

Mark 0.00 out of 1.00

The main concern of Financial Management is which of the following?

Select one:

- ☐ a. Profit maximization
- ☒ b. Arrangement of funds
- ☐ c. All aspects of acquiring and utilizing financial resources for firms activities
- ☐ d. Efficient Management of every business

Question **23**

Complete

Mark 0.00 out of 1.00

Tell the nature of account of salary paid?

Select one:

- ☒ a. Both
- ☐ b. None
- ☐ c. Dr
- ☐ d. Cr

Question **24**

Complete

Mark 0.00 out of 1.00

Double entry system is used in which type of accounting?

Select one:

- ☐ a. Financial
- ☒ b. All
- ☐ c. Cost
- ☐ d. Management

Question **25**

Complete

Mark 0.00 out of 1.00

What shall be the amount of capital, if cash is Rs.5000, furniture Rs.12,000, stock Rs.30,000 and creditors Rs.6000?

Select one:

- ☐ a. rupees 40000
- ☐ b. rupees 53000
- ☒ c. rupees 47000
- ☐ d. rupees 41000

Question **26**

Complete

Mark 0.00 out of 1.00

The value of money to be received in the future is \_\_\_\_\_ the value of the same amount of money in hand today?

Select one:

- ☐ a. Lower than
- ☒ b. Higher than
- ☐ c. None of the above
- ☐ d. The same as

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**Started on** Monday, 12 October 2020, 4:17 PM  
**State** Finished  
**Completed on** Monday, 12 October 2020, 4:44 PM  
**Time taken** 26 mins 21 secs  
**Grade** 25.00 out of 25.00 (100%)

Information



**Mid-sem Unit Exam, Session (2020-21)**

Program: BCA

Course Code and Name: BM228 Accounting and Financial Management

**Question 1**

Complete

Not graded

Enter your Full Name and Roll number

Roll Number: 19000101101

Course Code and Name:BM228/Accunting and Finacial mangement

Program: BCA

Year /Semester:32/3

Section/Group: D/2

**Question 2**

Correct

Mark 1.00 out of 1.00

Financial accounting is concerned with \_\_\_\_\_?

Select one:

- ☒ a. Recording of day to day business transactions ✓
- ☐ b. Recording of costs of products and services
- ☐ c. None of the above
- ☐ d. Recording of business expenses and revenue

Your answer is correct.

The correct answer is: Recording of day to day business transactions

Question **3**

Correct

Mark 1.00 out of 1.00

Q50. Which of the options is not an intangible asset?

Select one:

- ☒ a. Goodwill ✓
- ☐ b. Land
- ☐ c. Franchise rights
- ☐ d. Patents

Your answer is correct.

The correct answer is: Goodwill

Question **4**

Correct

Mark 1.00 out of 1.00

Outstanding salaries are \_\_\_\_\_?

Select one:

- ☐ a. an expense
- ☐ b. None
- ☐ c. an asset
- ☒ d. a liability ✓

Your answer is correct.

The correct answer is: a liability

Question **5**

Correct

Mark 1.00 out of 1.00

What is the basic accounting equation?

Select one:

- ☐ a. Capital + Assets = Liabilities
- ☒ b. Capital + Liabilities = assets ✓
- ☐ c. Liabilities - Capital = Assets
- ☐ d. Assets + Liabilities = Capital

Your answer is correct.

The correct answer is: Capital + Liabilities = assets

Question **6**

Correct

Mark 1.00 out of 1.00

Double entry implies that

Select one:

- ☐ a. Recording entries in Journal
- ☒ b. Recording two aspects of every transaction ✓
- ☐ c. Recording entries in Ledger account
- ☐ d. Recording every transaction in books

Your answer is correct.

The correct answer is: Recording two aspects of every transaction

Question **7**

Correct

Mark 1.00 out of 1.00

Which of the following asset is more permanent asset?

Select one:

- ☐ a. Inventory
- ☒ b. Land and Building ✓
- ☐ c. cash
- ☐ d. machinery

Your answer is correct.

The correct answer is: Land and Building

Question **8**

Correct

Mark 1.00 out of 1.00

The process of entering all transactions from the Journal to Ledger is called

Select one:

- ☒ a. Posting ✓
- ☐ b. Accounting
- ☐ c. None of the above
- ☐ d. Entry

Your answer is correct.

The correct answer is: Posting

Question **9**

Correct

Mark 1.00 out of 1.00

The rule regarding personal account is

Select one:

- ☒ a. Debit the receiver, credit the giver ✓
- ☐ b. Debit what comes in, credit what goes out
- ☐ c. Debit all expenses and losses, credit all incomes and gains
- ☐ d. None of the above

Your answer is correct.

The correct answer is: Debit the receiver, credit the giver

Question **10**

Correct

Mark 1.00 out of 1.00

Which of the following is wrong?

Select one:

- ☐ a. Nominal accounts are transferred to P &L account
- ☐ b. Each account is opened separately in ledger
- ☐ c. All real and personal accounts are transferred to balance sheet
- ☒ d. Rent is a personal account, outstanding rent is nominal account ✓

Your answer is correct.

The correct answer is: Rent is a personal account, outstanding rent is nominal account

Question **11**

Correct

Mark 1.00 out of 1.00

Profit and loss account serve the purpose

Select one:

- ☐ a. To know the position
- ☐ b. all of the above
- ☒ c. To know the net profit ✓
- ☐ d. To know the gross profit

Your answer is correct.

The correct answer is: To know the net profit

Question **12**

Correct

Mark 1.00 out of 1.00

Prepaid rent will go in balance sheet

Select one:

- ☒ a. in assets sides ✓
- ☐ b. Both side
- ☐ c. In liabilities side
- ☐ d. None of the above

Your answer is correct.

The correct answer is: in assets sides

Question **13**

Correct

Mark 1.00 out of 1.00

Which concept should be followed to make comparison of financial statement of one year with that of another year?

Select one:

- ☐ a. Accrual
- ☒ b. Consistency ✓
- ☐ c. Going concern
- ☐ d. Materiality

Your answer is correct.

The correct answer is: Consistency

Question **14**

Correct

Mark 1.00 out of 1.00

The long term assets are rights that have value but have no physical existence is known as

Select one:

- ☐ a. Fixed assets
- ☒ b. Intangible assets ✓
- ☐ c. Current assets
- ☐ d. Investments

Your answer is correct.

The correct answer is: Intangible assets



Question **15**

Correct

Mark 1.00 out of 1.00

Net loss occurs when

Select one:

- ☐ a. Liabilities are greater than income
- ☐ b. Expenses are less than income
- ☒ c. Expenses are greater than income ✓
- ☐ d. Expenses = Income

Your answer is correct.

The correct answer is: Expenses are greater than income

Question **16**

Correct

Mark 1.00 out of 1.00

Gross profit is determined by

Select one:

- ☐ a. Trial balance
- ☐ b. Profit and loss account
- ☒ c. Trading account ✓
- ☐ d. Balance sheet

Your answer is correct.

The correct answer is: Trading account

Question **17**

Correct

Mark 1.00 out of 1.00

What will be journal entry when cash is withdrawn from bank for personal use?

Select one:

- ☐ a. Cash A/c debit, Bank A/c credit
- ☐ b. Bank A/c debit, Capital A/c credit
- ☐ c. Bank A/c debit, Drawing A/c credit
- ☒ d. Drawing A/c debit, bank A/c credit ✓

Your answer is correct.

The correct answer is: Drawing A/c debit, bank A/c credit

Question **18**

Correct

Mark 1.00 out of 1.00

What will be journal entry when cash is withdrawn from bank for personal use?

Select one:

- ☐ a. a) Periodical manner
- ☒ b. Chronological manner ✓
- ☐ c. a) Analytical manner
- ☐ d. Summarized manner

Your answer is correct.

The correct answer is: Chronological manner

Question **19**

Correct

Mark 1.00 out of 1.00

Which of the following is not a nominal Account?

Select one:

- ☒ a. Outstanding salaries Account ✓
- ☐ b. Salaries account
- ☐ c. Commission received
- ☐ d. Interest paid

Your answer is correct.

The correct answer is: Outstanding salaries Account

Question **20**

Correct

Mark 1.00 out of 1.00

Why does a business prepare a Trial Balance?

Select one:

- ☐ a. To show the financial position
- ☐ b. To calculate the profit and loss
- ☒ c. To check the arithmetical accuracy of the ledgers ✓
- ☐ d. To check the cash and bank balance

Your answer is correct.

The correct answer is: To check the arithmetical accuracy of the ledgers

Question **21**

Correct

Mark 1.00 out of 1.00

Capital A/c is a \_\_\_\_\_ A/c?

Select one:

- ☐ a. None
- ☐ b. Nominal
- ☒ c. Personal ✓
- ☐ d. Real

Your answer is correct.

The correct answer is: Personal

Question **22**

Correct

Mark 1.00 out of 1.00

Final Account includes

Select one:

- ☒ a. all of the above ✓
- ☐ b. Trading account
- ☐ c. Profit and loss account
- ☐ d. Balance sheet

Your answer is correct.

The correct answer is: all of the above

Question **23**

Correct

Mark 1.00 out of 1.00

What will be journal entry when salary is paid by cheque?

Select one:

- ☐ a. Cash A/c debit, Salary A/c credit
- ☐ b. Bank A/c debit, Salary A/c credit
- ☐ c. Salary A/c debit, Cash A/c credit
- ☒ d. Salary A/c debit, Bank A/c credit ✓

Your answer is correct.

The correct answer is: Salary A/c debit, Bank A/c credit

Question **24**

Correct

Mark 1.00 out of 1.00

"Anticipate no profit and provide for all possible losses"

Select one:

- ☐ a. Matching
- ☒ b. Conservatism ✓
- ☐ c. Consistency
- ☐ d. Disclosure

Your answer is correct.

The correct answer is: Conservatism

Question **25**

Correct

Mark 1.00 out of 1.00

Due to money measurement concept, human resources does not appear in the balance sheet.

Select one:

- ☒ True ✓
- ☐ False

The correct answer is 'True'.

Question **26**

Correct

Mark 1.00 out of 1.00

Which is the branch of accounting

Select one:

- ☒ a. All the above ✓
- ☐ b. Management Accounting
- ☐ c. Financial Accounting
- ☐ d. Cost Accounting

Your answer is correct.

The correct answer is: All the above

Information

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**Question 2**

Not yet  
answered

Marked out of  
1.00

Working Capital is the?

Select one:

- ☒ a. Difference between Current Assets and Current Liabilities
- ☐ b. Difference between Current Assets and Fixed Assets
- ☐ c. Cash and Bank Balance
- ☐ d. Capital borrowed from the Banks

[Clear my choice](#)

**Question 3**

Not yet  
answered

Marked out of  
1.00

Liquid Assets do not include?

Select one:

- ☐ a. Bills Receivable
- ☐ b. Debtors
- ☐ c. Bank Balance
- ☒ d. Inventory

[Clear my choice](#)

**Question 4**

Not yet  
answered

Marked out of  
1.00

Two basic measures of liquidity are?

Select one:

- ☒ a. Inventory turnover and Current ratio
- ☐ b. Current ratio and Quick ratio
- ☐ c. Gross Profit ratio and Operating ratio
- ☐ d. Current ratio and Average Collection period

[Clear my choice](#)

**Question 5**

Not yet  
answered

Marked out of  
1.00

The main concern of Financial Management is which of the following?

Select one:

- ☐ a. Profit maximization
- ☐ b. Efficient Management of every business
- ☒ c. All aspects of acquiring and utilizing financial resources for firms activities
- ☐ d. Arrangement of funds

[Clear my choice](#)

Question **6**Not yet  
answeredMarked out of  
1.00

Ideal Current Ratio is?

Select one:

- ☐ a. 1 : 2
- ☐ b. 1 : 3
- ☐ c. 1 : 1
- ☒ d. 2 : 1

[Clear my choice](#)Question **7**Not yet  
answeredMarked out of  
1.00

Which of the following is the first step in capital budgeting process?

Select one:

- ☐ a. Final approval
- ☐ b. Implementing proposal
- ☐ c. Screening the proposal
- ☒ d. Identification of investment proposal

[Clear my choice](#)Question **8**Not yet  
answeredMarked out of  
1.00

Capital budgeting actually the process of making investment decisions in?

Select one:

- ☐ a. Sales Planning
- ☒ b. Fixed Assets
- ☐ c. Production process and style
- ☐ d. None of the above

[Clear my choice](#)Question **9**Not yet  
answeredMarked out of  
1.00

Capital Budgeting is a part of?

Select one:

- ☐ a. All of these
- ☐ b. Working capital Management
- ☐ c. Wealth Maximization
- ☒ d. Investment Decision

[Clear my choice](#)Question **10**Not yet  
answeredMarked out of  
1.00

Financial management is concerned with managerial activities relating to?

Select one:

- ☐ a. Procurement and administration of funds
- ☒ b. All of the above
- ☐ c. Optimum utilization of funds
- ☐ d. Planning

[Clear my choice](#)

Question **11**Not yet  
answeredMarked out of  
1.00

Accounting rate of return is also called?

Select one:

- ☒ a. Average rate of return
- ☐ b. Both
- ☐ c. None of the above
- ☐ d. Return on investment

[Clear my choice](#)Question **12**Not yet  
answeredMarked out of  
1.00

Current Ratio is?

Select one:

- ☐ a. Profitability Ratio
- ☒ b. Liquidity Ratio
- ☐ c. Activity Ratio
- ☐ d. Solvency Ratio

[Clear my choice](#)Question **13**Not yet  
answeredMarked out of  
1.00

Inventory Turnover Ratio is?

Select one:

- ☐ a. Average Inventory is to Cost of Revenue from Operations
- ☐ b. Average Inventory is to Revenue from Operations
- ☐ c. Cost of Revenue from Operations/Average Inventory
- ☒ d. Cost of Goods Sold is to Average Inventory

[Clear my choice](#)Question **14**Not yet  
answeredMarked out of  
1.00

The long term planning for financing proposed capital outlay is called?

Select one:

- ☐ a. Sales Budget
- ☒ b. Capital Budgeting
- ☐ c. Budgeting
- ☐ d. Cash Budget

[Clear my choice](#)Question **15**Not yet  
answeredMarked out of  
1.00

Current assets include only those assets which are expected to be realised within?

Select one:

- ☐ a. 6 months
- ☐ b. 2 years
- ☐ c. 3 months
- ☒ d. 1 year

[Clear my choice](#)

Question **16**Not yet  
answeredMarked out of  
1.00

Ideal Quick Ratio is?

Select one:

- ☐ a. 1 : 2
- ☐ b. 1 : 3
- ☒ c. 1 : 1
- ☐ d. 2 : 1

[Clear my choice](#)Question **17**Not yet  
answeredMarked out of  
1.00

Current Ratio is?

Select one:

- ☒ a. Current Assets is to Current Liabilities
- ☐ b. Liquid Assets is to Current Liabilities
- ☐ c. Liquid Assets is to Current Assets
- ☐ d. Fixed Assets is to Current Assets

[Clear my choice](#)Question **18**Not yet  
answeredMarked out of  
1.00

The Following of a business firm is measured by its ability to satisfy its short term obligations as they become due?

Select one:

- ☐ a. Debt
- ☒ b. Liquidity
- ☐ c. Activity
- ☐ d. Profitability

[Clear my choice](#)Question **19**Not yet  
answeredMarked out of  
1.00

Basic goal of Financial Management is?

Select one:

- ☐ a. to minimize the risk
- ☐ b. to maximize the return
- ☐ c. to maximize profit
- ☒ d. to maximize the wealth of owners

[Clear my choice](#)Question **20**Not yet  
answeredMarked out of  
1.00

The return which the company pays on borrowed funds is termed as?

Select one:

- ☐ a. Bonus
- ☒ b. Interest
- ☐ c. Dividend
- ☐ d. Cash Balance

[Clear my choice](#)



Question **21**Not yet  
answeredMarked out of  
1.00

Opening Inventory 100000 Closing Inventory 150000 Purchases 600000 Carriage 25000 Wages 200000  
Inventory Turnover Ratio will be?

Select one:

- ☐ a. 7.4 Times
- ☐ b. 7 Times
- ☒ c. 6.2 Times
- ☐ d. 6.6 Times

[Clear my choice](#)Question **22**Not yet  
answeredMarked out of  
1.00

NPV is abbreviation of?

Select one:

- ☒ a. Net present value
- ☐ b. None of the above
- ☐ c. Net profit value
- ☐ d. Non profit value

[Clear my choice](#)Question **23**Not yet  
answeredMarked out of  
1.00

Long term solvency is indicated by?

Select one:

- ☐ a. Net Profit Ratio
- ☐ b. Current Ratio
- ☐ c. Quick Ratio
- ☒ d. Debt Equity Ratio

[Clear my choice](#)Question **24**Not yet  
answeredMarked out of  
1.00

The following decision involves determining the appropriate make up of the right-hand side of the balance sheet?

Select one:

- ☐ a. Capital Budgeting
- ☐ b. Investing
- ☐ c. Asset management
- ☒ d. Financing

[Clear my choice](#)Question **25**Not yet  
answeredMarked out of  
1.00

Permanent Working Capital is also known as?

Select one:

- ☐ a. Gross Working Capital
- ☐ b. None of the above
- ☐ c. Total Current Asset
- ☒ d. Net Working Capital

[Clear my choice](#)

Question **26**

Not yet answered

Marked out of 1.00

Cash Balance 15000 Trade Receivables 35000 Inventory 40000 Trade Payables 24000 and Bank Overdraft is 6000 Current Ratio will be?

Select one:

- ☒ a. 3 : 1
- ☐ b. 1 : 3.75
- ☐ c. 1 : 3
- ☐ d. 3.75 : 1

[Clear my choice](#)



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Information



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Complete

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Roll Number: 1901018307

Course Code and Name:BM228

Program: BCA

Year /Semester:2nd/3rd

Section/Group: 5

**Question 2**

Correct

Mark 1.00 out of 1.00

Operating ratio is calculated by?

Select one:

- ☐ a. None of the above
- ☐ b. (Operating Cost/Gross sales)\*100
- ☐ c. (Operating Cost/Gross sales)\*100
- ☒ d. (Operating cost/Net sales)\*100 ✓

The correct answer is: (Operating cost/Net sales)\*100

Question **3**

Correct

Mark 1.00 out of 1.00

Net operating profit ratio determines \_\_\_\_\_ while net profit ratio determines?

Select one:

- ☒ a. Working efficiency of the management, overall efficiency of the business ✓
- ☐ b. None of the above
- ☐ c. Overall efficiency of the external market, working efficiency of the internal management
- ☐ d. Overall efficiency of the business, working efficiency of the management

The correct answer is: Working efficiency of the management, overall efficiency of the business

Question **4**

Incorrect

Mark 0.00 out of 1.00

The ideal level of current ratio is?

Select one:

- ☐ a. 4:2
- ☐ b. Both a and b
- ☐ c. None of the above
- ☒ d. 2:1 ✗

The correct answer is: Both a and b

Question **5**

Correct

Mark 1.00 out of 1.00

Select one:

- ☒ a. Operating ratio ✓
- ☐ b. Net profit ratio
- ☐ c. Stock turnover ratio
- ☐ d. Liquidity ratio

The correct answer is: Operating ratio

Question **6**

Correct

Mark 1.00 out of 1.00

Gross Profit ratio should be adequate to cover?

Select one:

- ☐ a. Dividends
- ☐ b. Selling expenses
- ☐ c. Administrative expenses
- ☒ d. All of the above ✓

The correct answer is: All of the above

Question **7**

Correct

Mark 1.00 out of 1.00

What will be the Gross Profit if, total sales is Rs 2,60,000, cost of net goods sold is Rs 2,00,000 and sales return is Rs 10,000?

Select one:

- ☒ a. 20% ✓
- ☐ b. 13%
- ☐ c. 26%
- ☐ d. 28%

The correct answer is: 20%

Question **8**

Correct

Mark 1.00 out of 1.00

Which of the following is not included in current assets?

Select one:

- ☐ a. Cash in hand
- ☒ b. Stock ✓
- ☐ c. Cash at bank
- ☐ d. Debtors

The correct answer is: Stock

Question **9**

Correct

Mark 1.00 out of 1.00

Stock is considered as a liquid asset as anytime it can be converted into cash immediately?

Select one:

- ☐ a. Yes
- ☒ b. No ✓

The correct answer is: No

Question **10**

Correct

Mark 1.00 out of 1.00

Debt-equity ratio is a sub-part of?

Select one:

- ☐ a. Short-term solvency ratio
- ☐ b. Debtors turnover ratio
- ☐ c. None of the above
- ☒ d. Long-term solvency ratio ✓

The correct answer is: Long-term solvency ratio

Question **11**

Correct

Mark 1.00 out of 1.00

While calculating Gross Profit, if net profit is given?

Select one:

- ☐ a. None of the above
- ☐ b. It can be converted into Gross profit by adding indirect expenses to it
- ☐ c. Both a and b
- ☒ d. It can be converted into gross profit by adding interest to it ✓

The correct answer is: It can be converted into gross profit by adding interest to it

Information

Question Paper

Question **12**

Correct

Mark 1.00 out of 1.00

What will be the Gross Profit if, total sales is Rs 2,60,000 Cost of net goods sold is Rs 2,00,000 and Sales return is Rs 10,000?

Select one:

- ☒ a. 20% ✓
- ☐ b. 28%
- ☐ c. 26%
- ☐ d. 13%

The correct answer is: 20%

Question **13**

Correct

Mark 1.00 out of 1.00

Liquidity ratios are expressed in?

Select one:

- ☒ a. Pure ratio form ✓
- ☐ b. None of the above
- ☐ c. Rate or time
- ☐ d. Percentage

The correct answer is: Pure ratio form

Question **14**

Correct

Mark 1.00 out of 1.00

Liquid assets is determined by?

Select one:

- ☐ a. Current assets +stock+ prepaid expenses
- ☐ b. Current assets +Prepaid expenses
- ☐ c. None of the above
- ☒ d. Current assets-stock-Prepaid expenses ✓

The correct answer is: Current assets-stock-Prepaid expenses

Question **15**

Correct

Mark 1.00 out of 1.00

The lower turnover ratio highlights the under utilizations of the resources accessible at the disposal of the firm?

Select one:

- ☒ a. True ✓
- ☐ b. False

The correct answer is: True

Question **16**

Correct

Mark 1.00 out of 1.00

Gross profit ratio is calculated by?

Select one:

- ☐ a. None of the above
- ☐ b.  $(\text{Gross Profit}/\text{Gross sales}) \times 100$
- ☒ c.  $(\text{Gross Profit}/\text{Net sales}) \times 100$  ✓
- ☐ d.  $(\text{Net Profit}/\text{Gross sales}) \times 100$

The correct answer is:  $(\text{Gross Profit}/\text{Net sales}) \times 100$

Question **17**

Correct

Mark 1.00 out of 1.00

Overall Profitability ratios are based on?

Select one:

- ☐ a. None of the above
- ☐ b. Sales
- ☒ c. Investments ✓
- ☐ d. a & B

The correct answer is: Investments

Question **18**

Correct

Mark 1.00 out of 1.00

Overall Profitability ratios are based on?

Select one:

- ☐ a. Sales
- ☐ b. None of the above
- ☐ c. Both a and b
- ☒ d. Investments ✓

The correct answer is: Investments

Question **19**

Correct

Mark 1.00 out of 1.00

Working capital turnover ratio can be determined by?

Select one:

- ☐ a. (Gross Profit/Working capital)
- ☐ b. (Cost of goods sold/Net sales)
- ☒ c. (Cost of goods sold/Working capital) ✓
- ☐ d. None of the above

The correct answer is: (Cost of goods sold/Working capital)

Question **20**

Correct

Mark 1.00 out of 1.00

If selling price is fixed 25% above the cost, the Gross Profit ratio is?

Select one:

- ☒ a. 20% ✓
- ☐ b. 13%
- ☐ c. 28%
- ☐ d. 26%

The correct answer is: 20%

Question **21**

Correct

Mark 1.00 out of 1.00

Return on equity capital is calculated on basis of?

Select one:

- ☐ a. Funds of equity shareholders
- ☒ b. Either a or b ✓
- ☐ c. None of the above
- ☐ d. Equity capital only

The correct answer is: Either a or b

Question **22**

Correct

Mark 1.00 out of 1.00

Profit for the objective of calculating a ratio may be taken as?

Select one:

- ☐ a. Profit after interest and tax
- ☐ b. Profit before interest and tax
- ☒ c. All of the above ✓
- ☐ d. Profit before tax but after interest

The correct answer is: All of the above



Question **23**

Correct

Mark 1.00 out of 1.00

Net Profit ratio is calculated by?

Select one:

- ☐ a. (Gross Profit/Net sales)\*100
- ☐ b. None of the above
- ☒ c. (Net Profit/Net sales)\*100 ✓
- ☐ d. (Gross Profit/Gross sales)\*100

The correct answer is: (Net Profit/Net sales)\*100

Question **24**

Correct

Mark 1.00 out of 1.00

Determine Operating ratio, if operating expenses is Rs 60,000, Sales is Rs 9,40,000, Sales Return is Rs 40,000 and Cost of net goods sold is Rs 6,60,000?

Select one:

- ☐ a. 11%
- ☐ b. 25%
- ☒ c. 80% ✓
- ☐ d. 15%

The correct answer is: 80%

Question **25**

Correct

Mark 1.00 out of 1.00

Which of the following is not included in current assets?

Select one:

- ☒ a. Stock ✓
- ☐ b. Debtors
- ☐ c. Cash in hand
- ☐ d. Cash at bank

The correct answer is: Stock

Question **26**

Correct

Mark 1.00 out of 1.00

Turnover ratios are also known as?

Select one:

- ☐ a. Performance ratios
- ☐ b. Activity ratios
- ☒ c. Both a and b ✓
- ☐ d. None of the above

The correct answer is: Both a and b



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Question **2**

Not yet  
answered

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Conversion cost includes cost of converting.....into.....?

Select one:

- ☐ a. Raw material, WIP
- ☒ b. Raw material, Finished goods
- ☐ c. WIP, Finished goods
- ☐ d. Finished goods, Saleable goods

[Clear my choice](#)

Question **3**

Not yet  
answered

Marked out of  
1.00

Basic objectives of cost Accounting is?

Select one:

- ☐ a. tax compliance.
- ☐ b. financial audit.
- ☒ c. cost ascertainment.
- ☐ d. profit analysis.

[Clear my choice](#)

Question **4**

Not yet  
answered

Marked out of  
1.00

Process costing is appropriate for which firm?

Select one:

- ☐ a. Bricklaying firms
- ☐ b. Transport firms
- ☐ c. Hospitals
- ☒ d. Oil refining firms

[Clear my choice](#)

Question **5**

Not yet  
answered

Marked out of  
1.00

A total of all the direct costs is known as?

Select one:

- ☐ a. Cost of production
- ☐ b. Cost of sales
- ☒ c. Prime cost
- ☐ d. Works cost

[Clear my choice](#)

Question 6

Not yet answered

Marked out of 1.00

Overhead refers to?

Select one:

- ☐ a. Direct or Prime Cost
- ☒ b. All Indirect costs
- ☐ c. only Factory indirect costs
- ☐ d. Only indirect expenses

[Clear my choice](#)

Question 7

Not yet answered

Marked out of 1.00

Direct expenses are also known as?

Select one:

- ☐ a. Overhead expenses
- ☐ b. Sundry expenses
- ☒ c. Chargeable expenses
- ☐ d. Major expenses

[Clear my choice](#)

Question 8

Not yet answered

Marked out of 1.00

In how many ways cost classification can be done?

Select one:

- ☐ a. Three ways
- ☐ b. Two ways
- ☐ c. Four ways
- ☒ d. Many ways

[Clear my choice](#)

Question 9

Not yet answered

Marked out of 1.00

Toy manufacturing companies use what type of costing?

Select one:

- ☐ a. Multiple costing
- ☐ b. Process costing
- ☐ c. Unit costing
- ☒ d. Batch costing

[Clear my choice](#)

Question 10

Not yet answered

Marked out of 1.00

Labour turnover means?

Select one:

- ☐ a. Turnover generated by labour
- ☒ b. Rate of change in composition of labour force during a specified period
- ☐ c. Either of the above
- ☐ d. Both of the above

[Clear my choice](#)

Question **11**

Not yet  
answered

Marked out of  
1.00

Sunk costs are?

Select one:

- ☐ a. relevant for decision making
- ☒ b. Not relevant for decision making
- ☐ c. cost to be incurred in future
- ☐ d. future costs

[Clear my choice](#)

Question **12**

Not yet  
answered

Marked out of  
1.00

A budget which is prepared in a manner so as to give the budgeted cost for any level of activity is known as?

Select one:

- ☐ a. Master budget
- ☐ b. Zero base budget
- ☐ c. Functional budget
- ☒ d. Flexible budget

[Clear my choice](#)

Question **13**

Not yet  
answered

Marked out of  
1.00

What is the basic concept of cost concept?

Select one:

- ☒ a. Cost ascertainment.
- ☐ b. Tax compliance.
- ☐ c. Financial audit
- ☐ d. Profit analysis

[Clear my choice](#)

Question **14**

Not yet  
answered

Marked out of  
1.00

What item is not included in cost accounting?

Select one:

- ☐ a. Product costing
- ☒ b. Profit-sharing
- ☐ c. Planning
- ☐ d. Controlling

[Clear my choice](#)

Question **15**

Not yet  
answered

Marked out of  
1.00

What is tender?

Select one:

- ☐ a. Estimation of cost
- ☐ b. Estimation of profit
- ☐ c. Estimation of units
- ☒ d. Estimation of the selling price

[Clear my choice](#)

Question 16

Not yet answered

Marked out of 1.00

Cost Unit is defined as?

Select one:

- ☒ a. Unit of quantity of product, service or time in relation to which costs may be ascertained or expressed
- ☐ b. A location, person or an item of equipment or a group of these for which costs are ascertained and used for cost control.
- ☐ c. Centres having the responsibility of generating and maximising profits
- ☐ d. Centres concerned with earning an adequate return on investment

[Clear my choice](#)

Question 17

Not yet answered

Marked out of 1.00

Which cost is incurred even if the company is closed?

Select one:

- ☐ a. Sunk cost
- ☐ b. Historical cost
- ☒ c. Shutdown cost
- ☐ d. Imputed cost

[Clear my choice](#)

Question 18

Not yet answered

Marked out of 1.00

Allotment of whole item of cost to a cost centre or cost unit is known as?

Select one:

- ☐ a. Cost Apportionment
- ☒ b. Cost Allocation
- ☐ c. Cost Absorption
- ☐ d. Machine hour rate

[Clear my choice](#)

Question 19

Not yet answered

Marked out of 1.00

Fixed cost is a cost?

Select one:

- ☐ a. Which changes in total in proportion to changes in output
- ☐ b. which is partly fixed and partly variable in relation to output
- ☒ c. Which do not change in total during a given period despite changes in output
- ☐ d. which remains same for each unit of output

[Clear my choice](#)

Question 20

Not yet answered

Marked out of 1.00

Abnormal cost is the cost?

Select one:

- ☐ a. Cost normally incurred at a given level of output
- ☒ b. Cost not normally incurred at a given level of output
- ☐ c. Cost which is charged to customer
- ☐ d. Cost which is included in the cost of the product

[Clear my choice](#)

**Question 21**

Not yet answered

Marked out of 1.00

Warehouse rent is a part of which cost?

Select one:

- ☐ a. Production cost
- ☒ b. Distribution cost
- ☐ c. Prime cost
- ☐ d. Factory cost

[Clear my choice](#)

**Question 22**

Not yet answered

Marked out of 1.00

Element/s of Cost of a product are?

Select one:

- ☐ a. Material only
- ☐ b. Labour only
- ☐ c. Expenses only
- ☒ d. Material, Labour and expenses

[Clear my choice](#)

**Question 23**

Not yet answered

Marked out of 1.00

\_\_\_\_\_ is also known as working capital ratio?

Select one:

- ☒ a. Current ratio
- ☐ b. Quick ratio
- ☐ c. Liquid ratio
- ☐ d. Debt-equity ratio

[Clear my choice](#)

**Question 24**

Not yet answered

Marked out of 1.00

Uncontrollable costs are the costs which be influenced by the action of a specified member of an undertaking?

Select one:

- ☒ a. can not
- ☐ b. can
- ☐ c. may or may not
- ☐ d. must

[Clear my choice](#)

**Question 25**

Not yet answered

Marked out of 1.00

Which of the following is not a method of cost absorption?

Select one:

- ☐ a. Percentage of direct material cost
- ☐ b. Machine hour rate
- ☐ c. Labour hour rate
- ☒ d. Repeated distribution method

[Clear my choice](#)

Question **26**

Not yet  
answered

Marked out of  
1.00

\_\_\_\_\_ is a summary of all functional budgets in a capsule form?

Select one:

- ☐ a. Functional Budget
- ☒ b. Master Budget
- ☐ c. Long Period Budget
- ☐ d. Flexible Budget

[Clear my choice](#)



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**PRACTICE QUIZ UNIT 3**

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**Started on** Monday, 7 December 2020, 5:44 PM

**State** Finished

**Completed on** Monday, 7 December 2020, 6:27 PM

**Time taken** 43 mins 45 secs

**Grade** 22.00 out of 25.00 (88%)

Information



Mid-sem Unit Exam, Session (2020-21)

Program: BCA

Course Code and Name: BM228 Accounting and Financial Management

Question 1

Complete

Not graded

Enter your Full Name and Roll number

Roll Number: 1901018305

Course Code and Name: BM228 Accounting and Financial Management

Program: BCA

Year /Semester:2nd/3rd

Section/Group: 4/D

**Question  
2**

Correct

Mark 1.00  
out of  
1.00

Marginal costs is taken as equal to?

Select one:

- ☐ a. None of the above
- ☐ b. Variable overheads
- ☒ c. Prime Cost plus all variable overheads ✓
- ☐ d. Prime Cost minus all variable overheads

The correct answer is: Prime Cost plus all variable overheads

**Question  
3**

Correct

Mark 1.00  
out of  
1.00

Raw materials, components, consumables, maintenance materials are subdivision examples of:

Select one:

- ☐ a. None
- ☒ b. Materials ✓
- ☐ c. Overheads
- ☐ d. labour

Your answer is correct.

The correct answer is: Materials

**Question  
4**

Correct

Mark 1.00  
out of  
1.00

An example of a production overhead would be....

Select one:

- ☐ a. Labour costs
- ☐ b. Materials
- ☒ c. Supervisory costs ✓
- ☐ d. Rent

The correct answer is: Supervisory costs

**Question  
5**

Correct

Mark 1.00  
out of  
1.00

Under absorption costing, managerial decisions are based on?

Select one:

- ☒ a. Profit ✓
- ☐ b. Contribution
- ☐ c. None of the above
- ☐ d. Profit volume ratio

The correct answer is: Profit

**Question  
6**

Correct

Mark 1.00  
out of  
1.00

Marginal costing is helpful in?

Select one:

- ☒ a. Monopoly conditions ✓
- ☐ b. Price determination only in long term
- ☐ c. Both a & b
- ☐ d. None of the above

The correct answer is: Monopoly conditions

**Question  
7**

Correct

Mark 1.00  
out of  
1.00

Costs that are traceable to a product are described as product costs?

Select one:

- ☐ a. none
- ☐ b. Indirect
- ☒ c. Direct ✓
- ☐ d. Assigned

The correct answer is: Direct

**Question  
8**

Correct

Mark 1.00  
out of  
1.00

Which of the following are advantages of marginal costing?

Select one:

- ☐ a. Useful for standard and budgetary control
- ☐ b. Helps in proper valuation of closing stock
- ☐ c. Makes the process of cost accounting more simple
- ☒ d. All of the above ✓

The correct answer is: All of the above

**Question  
9**

Incorrect

Mark 0.00  
out of  
1.00

4000 mobiles need to be made and sold in a monopoly market. The desired profit is Rs 2,00,000. The variable cost per mobile is Rs 100 and the total fixed costs are Rs 40,000. Find out unit selling price?

Select one:

- ☐ a. Rs 1.60 per mobile
- ☒ b. Rs 160 per mobile ✗
- ☐ c. None of the above
- ☐ d. Rs 1,600 per mobile

The correct answer is: Rs 1,600 per mobile

**Question  
10**

Correct

Mark 1.00  
out of  
1.00

Cost accounting is based on \_\_\_\_\_ cost?

Select one:

- ☐ a. none
- ☐ b. sunk
- ☒ c. pre-determined ✓
- ☐ d. historic

The correct answer is: pre-determined

**Question 11**

Correct

Mark 1.00  
out of  
1.00

A cost that does not change, in total, with the change in activity is called:

Select one:

- ☐ a. direct cost
- ☐ b. variable cost
- ☐ c. indirect cost
- ☒ d. Fixed cost ✓

Your answer is correct.

The correct answer is: Fixed cost

**Question 12**

Correct

Mark 1.00  
out of  
1.00

If total cost of 100 units is Rs 5000 and those of 101 units is Rs 5030 then increase of Rs 30 in total cost is?

Select one:

- ☒ a. Marginal cost ✓
- ☐ b. All variable overheads
- ☐ c. None of the above
- ☐ d. Prime cost

The correct answer is: Marginal cost

**Question 13**

Correct

Mark 1.00  
out of  
1.00

Marginal costing is also known as?

Select one:

- ☐ a. Variable costing
- ☒ b. Both a and b ✓
- ☐ c. Direct costing
- ☐ d. None of the above

The correct answer is: Both a and b

**Question  
14**

Correct

Mark 1.00  
out of  
1.00

Which of the following are the assumptions of marginal costing?

Select one:

- ☐ a. Total variable costs varies in proportion to the volume of output.
- ☒ b. ALL OF THE ABOVE ✓
- ☐ c. Total fixed cost remains constant at all levels of output.
- ☐ d. All the elements of cost can be divided into fixed and variable components.

The correct answer is: ALL OF THE ABOVE

**Question  
15**

Correct

Mark 1.00  
out of  
1.00

Which of the following statements are true?

Select one:

- ☐ a. IN absorption costing period is important and in marginal costing product is important.
- ☒ b. Both a and b ✓
- ☐ c. In absorption costing, cost is divided into three major parts while in marginal costing cost is divided into two main parts.
- ☐ d. None of the above

The correct answer is: Both a and b

**Question  
16**

Correct

Mark 1.00  
out of  
1.00

Absorption costing is used for?

Select one:

- ☒ a. Price determination on basis of full cost ✓
- ☐ b. All of the above
- ☐ c. Solution of separation of costs
- ☐ d. Calculation of gross and net profit

The correct answer is: Price determination on basis of full cost

**Question  
17**

Correct

Mark 1.00  
out of  
1.00

Fixed cost is a cost?

Select one:

- ☐ a. which is partly fixed and partly variable in relation to output
- ☐ b. which changes in total in proportion to changes in output
- ☒ c. which do not change in total during a given period despite changes in output ✓
- ☐ d. which remains same for each unit of output

The correct answer is: which do not change in total during a given period despite changes in output

**Information****Question Paper****Question  
18**

Correct

Mark 1.00  
out of  
1.00

By behavior- costs are classified as:

Select one:

- ☒ a. All of the above ✓
- ☐ b. Fixed
- ☐ c. Variable
- ☐ d. Semi-variable or stepping fixed

Your answer is correct.

The correct answer is: All of the above

**Question  
19**

Correct

Mark 1.00  
out of  
1.00

In element-wise classification of overheads, which one of the following is not included?

Select one:

- ☐ a. Indirect materials
- ☐ b. Indirect expenses
- ☐ c. Indirect labour
- ☒ d. Fixed overheads ✓

The correct answer is: Fixed overheads

Question  
**20**

Correct

Mark 1.00  
out of  
1.00

Costs which can be easily attributed to a particular cost center/ product is called?

Select one:

- ☐ a. Indirect cost
- ☐ b. Marginal cost
- ☒ c. Direct cost ✓
- ☐ d. None of the above

The correct answer is: Direct cost

Question  
**21**

Incorrect

Mark 0.00  
out of  
1.00

A cost that remains constant in total but varies on a per-unit basis with changes in activity is called a

Select one:

- ☐ a. product cost
- ☐ b. period cost
- ☒ c. variable cost ✗
- ☐ d. fixed cost

Your answer is incorrect.

The correct answer is: fixed cost

Question  
**22**

Correct

Mark 1.00  
out of  
1.00

In how many ways cost classification can be done?

Select one:

- ☐ a. Two ways
- ☐ b. Four ways
- ☒ c. Many ways ✓
- ☐ d. Three ways

Your answer is correct.

The correct answer is: Many ways



**Question  
23**

Correct

Mark 1.00  
out of  
1.00

Absorption costs helps in?

Select one:

- ☐ a. Difference between product cost and period cost
- ☐ b. None of the above
- ☐ c. Charged of fixed factory overheads on inventory
- ☒ d. Both a and b ✓

The correct answer is: Both a and b

**Question  
24**

Incorrect

Mark 0.00  
out of  
1.00

A variable cost is?

Select one:

- ☒ a. One which varies in proportion to the level of fixed cost incurred ✗
- ☐ b. One which cannot be estimated with any great degree of accuracy
- ☐ c. One which changes over time
- ☐ d. One which tends to vary with the level of activity

The correct answer is: One which tends to vary with the level of activity

**Question  
25**

Correct

Mark 1.00  
out of  
1.00

Cost accounting is a specialized branch of accounting which deals with?

Select one:

- ☐ a. classification, processing, allocation and directing
- ☒ b. classification, recording, allocation and control of costs ✓
- ☐ c. classification, recording, allocation and directing
- ☐ d. classification, recording, planning and control of costs

The correct answer is: classification, recording, allocation and control of costs

Question  
26

Correct

Mark 1.00  
out of  
1.00

What item is not included in cost accounting?

Select one:

- ☐ a. Controlling
- ☐ b. Product costing
- ☐ c. Planning
- ☒ d. Profit sharing ✓

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Your answer is correct.

The correct answer is: Profit-sharing

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◀ PRACTICE QUIZ  
UNIT 3

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FEEDBACK UNIT 3 ▶

**Q1.**Budget is a written plan of?

Select one:

- ☐ a. Business
- ☒ b. Action
- ☐ c. Environment
- ☐ d. Reaction

**Q2.**Budgetary control system defines the objectives and policies of the?

Select one:

- ☐ a. Marketing department
- ☐ b. Production department
- ☒ c. All
- ☐ d. Finance department

**Q3.****Purchases budget is prepared using the information from**

(A) Capital expenditure budget

**(B) Materials budget**

(C) Both (A) and (B)

(D) None of the above

**Q4.**A budget which is established for use over a short period of time is called?

Select one:

- ☒ a. Current budget
- ☐ b. Fixed budget
- ☐ c. Cost budget
- ☐ d. Profit budget

Q5. \_\_\_\_\_ control is the most useful technique in implementing the objectives of the company with minimum possible cost and maximum possible efficiency?

Select one:

- ☐ a. Capability
- ☐ b. None of the above
- ☒ c. Budgetary
- ☐ d. Inventory

Q6. Production budget is based upon?

Select one:

- ☐ a. Factory capacity
- ☒ b. All of the above
- ☐ c. sales budget
- ☐ d. Availability of raw material and labor

Q7. A budget is a tool which helps the management in planning and control of?

Select one:

- ☐ a. Sales activities
- ☐ b. Production activities
- ☒ c. All business activities
- ☐ d. Purchase activities

Q8. Following budget may be compiled on departmental basis?

Select one:

- ☐ a. Purchase budget
- ☐ b. Materials budget
- ☐ c. All of the above

- ☒ d. Production budget

A budget is an instrument of management used as an aid in the?

Select one:

- ☐ a. Planning
- ☐ b. All of the above
- ☐ c. Programming
- ☐ d. Control of business activity

Budgeting is based upon?

Select one:

- ☐ a. Present conditions
- ☐ b. None of the above
- ☒ c. Both (A) and (B)
- ☐ d. Past statistical data

The budget prepared according to \_\_\_\_\_ is known as functional budgets?

Select one:

- ☐ a. Time
- ☒ b. Functions
- ☐ c. Controls
- ☐ d. Period

Which is the mostly likely purpose of budgeting?

Select one:

- ☒ a. Planning and control of an organization's income and expenditure
- ☐ b. Company valuation

- ☐ c. Preparation of a five-year business plan
- ☐ d. Assess the non-financial performance of an organization

Which budget refers to budgeting from scratch?

Select one:

- ☐ a. Scratch budget
- ☐ b. Fixed budget

☒ Which of the following statements are true about budget, budgeting & budgetary control?

Select one:

- ☐ a. None of the above
- ☐ b. Budgetary control is the means to achieve performance on the basis of budget
- ☐ c. Budgeting is business estimates for future periods
- ☐ d. Budget is the process of preparing business estimates

c. Zero Base Budget

- ☐ d. Flexible budget

An example of long period budget is?

Select one:

- ☐ a. Master budget
- ☐ b. Sales budget
- ☒ c. R&D budget
- ☐ d. Personnel budget

Which of the following statements are true about budget, budgeting & budgetary control?

Select one:

- ☐ a. None of the above
- ☒ b. Budgetary control is the means to achieve performance on the basis of budget
- ☐ c. Budgeting is business estimates for future periods

- ☐ d. Budget is the process of preparing business estimates

Following is(are) functional budget?

Select one:

- ☒ a. All of the above
- ☐ b. Material and purchase budget
- ☐ c. Sales budget
- ☐ d. Direct labor budget

Fixed budget is useless for comparison when the level of activity?

Select one:

- ☒ a. Fluctuates both ways
- ☐ b. Increases
- ☐ c. Decreases
- ☐ d. Constant

Following may be regarded as a summary budget?

Select one:

- ☐ a. Sales budget
- ☐ b. Cash budget
- ☐ c. Production budget
- ☒ d. Master budget

Budget which is related to the individual task in an organization is known as?

Select one:

- ☐ a. Long term budget
- ☐ b. Flexible budget

- ☒ c. Functional budget
- ☐ d. Fixed budget

Budget includes?

Select one:

- ☒ a. All of the above
- ☐ b. Employment of capital
- ☐ c. Expenditure
- ☐ d. Income

A budget should be?

Select one:

- ☐ a. Both (A) and (B)
- ☒ b. Flexible
- ☐ c. Rigid
- ☐ d. None of the above

Recording of actual performance is?

Select one:

- ☐ a. None
- ☐ b. An advantage of budgetary control
- ☒ c. A step in budgetary control
- ☐ d. A limitation of budgetary control

Which of the following statements are true for forecast and budget?

Select one:

- ☐ a. All of the above
- ☐ b. Forecast and budget both can be expressed in financial form
- ☐ c. Forecast and budget are one and same thing



- ☒ d. Budget is prepared after the forecast

A budget is an instrument of management used as an aid in the?

Select one:

- ☐ a. Planning
- ☒ b. All of the above
- ☐ c. Programming
- ☐ d. Control of business activity

Following budget may be compiled on departmental basis?

Select one:

- ☐ a. Purchase budget
- ☐ b. Materials budget
- ☐ c. All of the above
- ☐ d. Production budget

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**Started on** Sunday, 13 December 2020, 2:25 PM  
**State** Finished  
**Completed on** Sunday, 13 December 2020, 2:54 PM  
**Time taken** 29 mins 12 secs  
**Grade** 20.00 out of 25.00 (80%)

Information



**Mid-sem Unit Exam, Session (2020-21)**

Program: BCA  
Course Code and Name: BM228 Accounting and Financial Management

**Question 1**  
Complete  
Not graded

Enter your Full Name and Roll number

Roll Number: 1901018305

Course Code and Name:BM228 Accounting and Financial Management

Program: BCA

Year /Semester:2nd/3rd

Section/Group: 4/D

**Question 2**  
Correct  
Mark 1.00 out of 1.00

A budget is a detailed schedule of the proposed combinations of the various

Select one:

- ☐ a. none of the above
- ☒ b. factors of production ✓
- ☐ c. both (a) and (b) above
- ☐ d. alternatives of business

Your answer is correct.

The correct answer is: factors of production

Information

[Question Paper](#)

Question **3**

Correct

Mark 1.00 out of 1.00

Functional budget is subsidiary to?

Select one:

- ☐ a. Fixed budget
- ☐ b. Variable budget
- ☒ c. Master budget ✓
- ☐ d. All of the above

The correct answer is: Master budget

Question **4**

Incorrect

Mark 0.00 out of 1.00

Purchases budget is prepared using the information from?

Select one:

- ☒ a. Both (A) and (B) ✗
- ☐ b. Materials budget
- ☐ c. Capital expenditure budget
- ☐ d. None of the above

The correct answer is: Materials budget

Question **5**

Incorrect

Mark 0.00 out of 1.00

The scope of capital budget covers the decisions like

Select one:

- ☐ a. none of the above
- ☐ b. purchase of current assets
- ☐ c. purchase of fixed assets
- ☒ d. both (a) and (b) above ✗

Your answer is incorrect.

The correct answer is: purchase of fixed assets

Question **6**

Correct

Mark 1.00 out of 1.00

Budgetary control is a process that is designed to assist management in

Select one:

- ☐ a. developing basis for evaluating the efficiency of operations
- ☐ b. deciding the future course of action
- ☐ c. none of the above
- ☒ d. both (a) and (b) above ✓

Your answer is correct.

The correct answer is: both (a) and (b) above

Question **7**

Correct

Mark 1.00 out of 1.00

Subsidiary budgets include income or expenditure appropriate to

Select one:

- ☐ a. both (a) and (b) above
- ☐ b. all activities of the business
- ☒ c. particular activity of the business ✓
- ☐ d. none of the above

Your answer is correct.

The correct answer is: particular activity of the business

Question **8**

Correct

Mark 1.00 out of 1.00

A budget which is established for use over a short period of time is called?

Select one:

- ☐ a. Cost budget
- ☐ b. Fixed budget
- ☒ c. Current budget ✓
- ☐ d. Profit budget

The correct answer is: Current budget

Question **9**

Correct

Mark 1.00 out of 1.00

Budget is a written plan of?

Select one:

- ☐ a. Business
- ☐ b. Environment
- ☒ c. Action ✓
- ☐ d. Reaction

The correct answer is: Action

Question **10**

Incorrect

Mark 0.00 out of 1.00

ZBB stands for

Select one:

- ☒ a. Zero Baised Budgeting ✗
- ☐ b. Zero Base Budgeting
- ☐ c. None of the above
- ☐ d. Both of the above

Your answer is incorrect.

The correct answer is: Zero Base Budgeting

Question **11**

Correct

Mark 1.00 out of 1.00

A budget is an instrument of management used as an aid in the?

Select one:

- ☐ a. Control of business activity
- ☒ b. All of the above ✓
- ☐ c. Programming
- ☐ d. Planning

The correct answer is: All of the above

Question **12**

Correct

Mark 1.00 out of 1.00

A budget should be?

Select one:

- ☒ a. Flexible ✓
- ☐ b. Rigid
- ☐ c. None of the above
- ☐ d. Both (A) and (B)

The correct answer is: Flexible

Question **13**

Correct

Mark 1.00 out of 1.00

Following may be regarded as a summary budget?

Select one:

- ☒ a. Master budget ✓
- ☐ b. Cash budget
- ☐ c. Production budget
- ☐ d. Sales budget

The correct answer is: Master budget

Question **14**

Correct

Mark 1.00 out of 1.00

Production and Manufacturing budget is prepared after receiving the?

Select one:

- ☐ a. cash budget
- ☐ b. None of the above
- ☒ c. Sales budget ✓
- ☐ d. Material and purchase budget

The correct answer is: Sales budget

Question **15**

Correct

Mark 1.00 out of 1.00

The time-span for budgeting will vary from organization to organization depending on number of factors such as

Select one:

- ☐ a. nature of business
- ☐ b. degree of risk and uncertainty
- ☒ c. all of the above ✓
- ☐ d. financial resources

Your answer is correct.

The correct answer is: all of the above

Question **16**

Correct

Mark 1.00 out of 1.00

a plan that expresses only one level of estimated activity or volume is called

Select one:

- ☒ a. fixed budget ✓
- ☐ b. none of the above
- ☐ c. flexible budget
- ☐ d. operating budget

Your answer is correct.

The correct answer is: fixed budget

Question **17**

Correct

Mark 1.00 out of 1.00

Budget includes?

Select one:

- ☐ a. Income
- ☐ b. Employment of capital
- ☐ c. Expenditure
- ☒ d. All of the above ✓

The correct answer is: All of the above

Question **18**

Correct

Mark 1.00 out of 1.00

A programme budgeting is a budgetary system tailored to meet the requirements of

Select one:

- ☐ a. government departments
- ☒ b. both (a) and (b) above ✓
- ☐ c. Commercial organizations
- ☐ d. non-profit institutions

Your answer is correct.

The correct answer is: both (a) and (b) above

Question **19**

Correct

Mark 1.00 out of 1.00

Which budget refers to budgeting from scratch?

Select one:

- ☐ a. Scratch budget
- ☐ b. Fixed budget
- ☒ c. Zero Base Budget ✓
- ☐ d. Flexible budget

The correct answer is: Zero Base Budget

Question **20**

Correct

Mark 1.00 out of 1.00

Production budget is based upon?

Select one:

- ☒ a. All of the above ✓
- ☐ b. Availability of raw material and labor
- ☐ c. Factory capacity
- ☐ d. sales budget

The correct answer is: All of the above

Question **21**

Correct

Mark 1.00 out of 1.00

Budget which is related to the individual task in an organization is known as?

Select one:

- ☒ a. Functional budget ✓
- ☐ b. Flexible budget
- ☐ c. Long term budget
- ☐ d. Fixed budget

The correct answer is: Functional budget

Question **22**

Incorrect

Mark 0.00 out of 1.00

Following is(are) functional budget?

Select one:

- ☒ a. Sales budget ✗
- ☐ b. Material and purchase budget
- ☐ c. All of the above
- ☐ d. Direct labor budget

The correct answer is: All of the above

Question **23**

Incorrect

Mark 0.00 out of 1.00

Following budget may be compiled on departmental basis?

Select one:

- ☒ a. All of the above ✖
- ☐ b. Purchase budget
- ☐ c. Materials budget
- ☐ d. Production budget

The correct answer is: Production budget

Question **24**

Correct

Mark 1.00 out of 1.00

Production budget is a component of

Select one:

- ☐ a. cash budget
- ☒ b. master budget ✔
- ☐ c. none of the above
- ☐ d. subsidiary budget

Your answer is correct.

The correct answer is: master budget

Question **25**

Correct

Mark 1.00 out of 1.00

A budget is defined as?

Select one:

- ☐ a. a financial and / or objective statement prepared and approved prior to defined period of time of the policy to be pursued during that period for the purpose of attaining a given objective
- ☒ b. a financial and / or quantitative statement prepared and approved prior to a defined period of time of the policy to be pursued during that period for the purpose of attaining a given objective ✔
- ☐ c. a financial and / or quantitative statement approved prior to a defined period of time of the policy to be pursued during that period for the purpose of attaining a given objective
- ☐ d. a financial and / or quantitative statement prepared prior to a defined period of time of the policy to be pursued during that period for the purpose of attaining a given objective

The correct answer is: a financial and / or quantitative statement prepared and approved prior to a defined period of time of the policy to be pursued during that period for the purpose of attaining a given objective

Question **26**

Correct

Mark 1.00 out of 1.00

Budgetary control system acts as a friend, philosopher and guide to the .....

Select one:

- ☐ a. Employees
- ☐ b. Creditors
- ☐ c. Share holders
- ☒ d. Management ✔

Your answer is correct.



The correct answer is: Management

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**Started on** Thursday, 17 December 2020, 8:20 PM  
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**Grade** 22.50 out of 25.00 (90%)

Information



**INTEGRAL**  
**UNIVERSITY**  
**LUCKNOW INDIA**

**Mid-sem Unit Exam, Session (2020-21)**

Program: BCA

Course Code and Name: BM228 Accounting and Financial Management

**Question 1**

Complete

Not graded

Enter your Full Name and Roll number

Roll Number: 1901018305

Course Code and Name: BM 228 Shabaj ansari

Program: BCA

Year /Semester: 2/3

Section/Group: D

**Question 2**

Correct

Mark 1.00 out of 1.00

Statement of changes in working capital is prepared separately in?

Select one:

- ☐ a. None of the above
- ☐ b. Both a and b
- ☒ c. Funds Flow Statement ✓
- ☐ d. Cash Flow Statement

The correct answer is: Funds Flow Statement

Question 3

Incorrect

Mark 0.00 out of 1.00

Which of the following transactions will result in inflow of funds?

Select one:

- ☒ a. Issue of debentures ✖
- ☐ b. ONLY B
- ☐ c. ONLY A
- ☐ d. Conversion of debentures into equity shares

The correct answer is: ONLY A

Question 4

Correct

Mark 1.00 out of 1.00

Which of the following are applications of funds?

Select one:

- ☐ a. Payment of dividend on share capital
- ☒ b. All of above ✔
- ☐ c. Payment of tax
- ☐ d. Increase in working capital

The correct answer is: All of above

Question 5

Correct

Mark 1.00 out of 1.00

For the calculation of cash flow from operating activities, payments and receipts shown in Profit & Loss account are converted into payments and receipts actually in cash?

Select one:

- ☒ a. True ✔
- ☐ b. False

The correct answer is: True

Information

Question Paper

Question 6

Correct

Mark 1.00 out of 1.00

Cash Flow Statement is also known as?

Select one:

- ☒ a. Both a and b ✔
- ☐ b. None of the above.
- ☐ c. Statement accounting for variation in cash
- ☐ d. Statement of Changes in Financial Position on Cash basis

The correct answer is: Both a and b

Question 7

Correct

Mark 1.00 out of 1.00

Which of the following are cash flow from investing activities?

Select one:

- ☐ a. Sale of fixed assets
- ☐ b. Dividend received
- ☐ c. Interest received
- ☒ d. ALL OF THE ABOVE ✓

The correct answer is: ALL OF THE ABOVE

Question 8

Correct

Mark 1.00 out of 1.00

Which of the following statement is true about Funds Flow Statement?

Select one:

- ☒ a. All of the above ✓
- ☐ b. It highlights change in funds of a firm at different point
- ☐ c. It highlights change in funds of different firms at different point
- ☐ d. It highlights change in funds of different firms at a single point

The correct answer is: All of the above

Question 9

Correct

Mark 1.00 out of 1.00

Financing activities brings changes in?

Select one:

- ☒ a. Both a and b ✓
- ☐ b. Borrowing of the enterprise
- ☐ c. None of the above

The correct answer is: Both a and b

Question 10

Correct

Mark 1.00 out of 1.00

Which of the following statement/s are true about movement of funds?

Select one:

- ☐ a. Funds flow in a transaction between current assets and fixed assets.
- ☐ b. Funds flow in a transaction between current asset and capital
- ☒ c. ALL OF THE ABOVE ✓
- ☐ d. Funds flow in a transaction between fixed assets and current liabilities

The correct answer is: ALL OF THE ABOVE

Question **11**

Correct

Mark 1.00 out of 1.00

Cash Flow Statement is prepared from?

Select one:

- ☐ a. Profit and loss account
- ☐ b. Balance Sheet
- ☒ c. All of the above ✓
- ☐ d. Additional Information

The correct answer is: All of the above

Question **12**

Correct

Mark 1.00 out of 1.00

Which of the following are cash flow from operating activities?

Select one:

- ☐ a. ONLY A
- ☐ b. Cash Paid to Supplier and Employees
- ☒ c. Both A and B ✓
- ☐ d. Cash Receipts from customers

The correct answer is: Both A and B

Question **13**

Correct

Mark 1.00 out of 1.00

Funds Flow Statement is also known as?

Select one:

- ☒ a. All of the above ✓
- ☐ b. Statement of Sources and Application of Funds
- ☐ c. Statement of Sources and Uses of Funds
- ☐ d. Statement of Funds Flow

The correct answer is: All of the above

Question **14**

Incorrect

Mark 0.00 out of 1.00

While preparing Cash Flow Statement, non-cash items and non-operating items are not required to be adjusted under\_\_\_\_\_?

Select one:

- ☐ a. Indirect method
- ☐ b. Direct method
- ☒ c. Both a & b ✗
- ☐ d. None of the above

The correct answer is: Direct method

Question **15**

Correct

Mark 1.00 out of 1.00

Funds Flow Statement holds significance for?

Select one:

- ☐ a. Shareholders
- ☐ b. Government
- ☐ c. Financiers
- ☒ d. All of the above ✓

The correct answer is: All of the above

Question **16**

Correct

Mark 1.00 out of 1.00

The balance of property at cost has been RS 20,000 and Rs 17,000 in 2013 and 2014 respectively. The profit on sale of property of Rs 2000 is credited to Capital Reserves Account. New property costing Rs 5000 bought in 2014. Determine sale of proceeds from land?

Select one:

- ☐ a. Rs 3000
- ☒ b. Rs 10,000 ✓
- ☐ c. Rs 7000
- ☐ d. Rs 15,000

The correct answer is: Rs 10,000

Question **17**

Correct

Mark 1.00 out of 1.00

Which of the following are treated as long term investments?

Select one:

- ☐ a. Non-current investments
- ☒ b. All of the above ✓
- ☐ c. Sinking fund investments
- ☐ d. Trade Investments

The correct answer is: All of the above

Question **18**

Correct

Mark 1.00 out of 1.00

Cash payment to suppliers for services and goods is example of cash outflow?

Select one:

- ☐ a. True
- ☒ b. False ✓

The correct answer is: False

**Question 19**

Correct

Mark 1.00 out of 1.00

Which of the following is/are examples of Funds Flow Statement?

Select one:

- ☐ a. Shares issued for cash
- ☒ b. Only A & B ✓
- ☐ c. Collection of debtors
- ☐ d. Shares issued against the purchase of machinery

The correct answer is: Only A &amp; B

**Question 20**

Correct

Mark 1.00 out of 1.00

Which of the following are cash flow from financing activities?

Select one:

- ☐ a. Interest paid
- ☐ b. Dividend paid
- ☐ c. ONLY A
- ☒ d. BOTH A & B ✓

The correct answer is: BOTH A &amp; B

**Question 21**

Correct

Mark 1.00 out of 1.00

Which of the following are current assets?

Select one:

- ☐ a. Trade Payables
- ☒ b. Short-term loans and advances ✓
- ☐ c. Fixed investments
- ☐ d. Furniture

The correct answer is: Short-term loans and advances



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**Question 2**

Not yet  
answered

Marked out of  
1.00

Which of the following statements are false?

Select one:

- ☐ a. Cash Flow Statement is helpful in the formation of policies.
- ☐ b. Cash Flow Statement is useful for external analysis
- ☐ c. Cash Flow Statement is helpful in estimating future cash flow
- ☒ d. None of the above

[Clear my choice](#)

**Question 3**

Not yet  
answered

Marked out of  
1.00

Having defined working capital as current assets, it can be further classified according to ?

Select one:

- ☐ a. financing method and time
- ☐ b. rate of return and financing method
- ☐ c. time and rate of return
- ☒ d. components and time

[Clear my choice](#)

**Question 4**

Not yet  
answered

Marked out of  
1.00

Cash flow example from an operating activity is?

Select one:

- ☐ a. Purchase of Own Debenture
- ☐ b. Sale of Fixed Assets
- ☒ c. Interest Paid on Term-deposits by a Bank
- ☐ d. Issue of Equity Share Capital

[Clear my choice](#)

**Question 5**

Not yet  
answered

Marked out of  
1.00

The statement of cash flow clarifies cash flows according to?

Select one:

- ☐ a. Operating and Non-operating Flows
- ☐ b. Inflow and Outflow
- ☐ c. Investing and Non-operating Flows
- ☒ d. Operating, Investing, and Financing Activities

[Clear my choice](#)



**Question 6**Not yet  
answeredMarked out of  
1.00

The purchase value of assets over its serviceable life is categorised as?

Select one:

- ☐ a. Appreciated Liabilities
- ☐ b. Appreciated Assets
- ☒ c. Depreciation
- ☐ d. Appreciation

[Clear my choice](#)

**Question 7**Not yet  
answeredMarked out of  
1.00

Funds Flow Statement is also known as?

Select one:

- ☐ a. Statement of Funds Flow
- ☐ b. Statement of Sources and Application of Funds
- ☐ c. Statement of Sources and Uses of Funds
- ☒ d. All of the above

[Clear my choice](#)

**Question 8**Not yet  
answeredMarked out of  
1.00

To financial analysts, "net working capital" means the same thing as?

Select one:

- ☐ a. total assets
- ☐ b. fixed assets
- ☐ c. current assets
- ☒ d. current assets minus current liabilities

[Clear my choice](#)

**Question 9**Not yet  
answeredMarked out of  
1.00

Example of Cash flow from a financing activity is?

Select one:

- ☒ a. Payment of Dividends
- ☐ b. Receipt of Dividend on Investment
- ☐ c. Cash Received from Customers
- ☐ d. Purchase of Fixed Asset

[Clear my choice](#)

**Question 10**Not yet  
answeredMarked out of  
1.00

Funds Flow Statement is prepared on the basis of data of P&L statement and two consecutive balance sheets.

Select one:

- ☒ a. True
- ☐ b. False
- ☐ c. Value delivery
- ☐ d. None of the above

[Clear my choice](#)

## Question 11

Not yet  
answered

Marked out of  
1.00

Which statement is prepared in the process of funds flow analysis?

Select one:

- ☒ a. Schedule of changes in working capital
- ☐ b. Funds Flow Statement
- ☐ c. Both a and b
- ☐ d. None of the above

[Clear my choice](#)

## Question 12

Not yet  
answered

Marked out of  
1.00

What are the aspects of working capital management?

Select one:

- ☐ a. Inventory management
- ☐ b. Receivable management
- ☐ c. Cash management
- ☒ d. All of the above

[Clear my choice](#)

## Question 13

Not yet  
answered

Marked out of  
1.00

Statement of cash flows includes?

Select one:

- ☐ a. Financing Activities
- ☐ b. Operating Activities
- ☐ c. Investing Activities
- ☒ d. All of the Above

[Clear my choice](#)

## Question 14

Not yet  
answered

Marked out of  
1.00

Which of the following are sources of funds?

Select one:

- ☐ a. Issue of bonus shares
- ☐ b. Issue of shares against the purchase of fixed assets
- ☐ c. Conversion of debentures into shares
- ☒ d. None of the above

[Clear my choice](#)

## Question 15

Not yet  
answered

Marked out of  
1.00

Which of the following statements are true?

Select one:

- ☐ a. Cash flow reveals only the inflow of cash
- ☐ b. Cash flow reveals only the outflow of cash
- ☐ c. Cash flow is a substitute for income statement
- ☒ d. Cash flow statement is not a replacement of funds flow statement.

[Clear my choice](#)

**Question 16**Not yet  
answeredMarked out of  
1.00

Cash Flow Statement is also known as?

Select one:

- ☐ a. Statement of Changes in Financial Position on Cash basis
- ☐ b. Statement accounting for variation in cash
- ☒ c. Both a and b
- ☐ d. None of the above.

[Clear my choice](#)**Question 17**Not yet  
answeredMarked out of  
1.00

As per Accounting Standard-3, Cash Flow is classified into?

Select one:

- ☐ a. Operating activities and investing activities
- ☐ b. Investing activities and financing activities
- ☐ c. Operating activities and financing activities
- ☒ d. Operating activities, financing activities and investing activities

[Clear my choice](#)**Question 18**Not yet  
answeredMarked out of  
1.00

A company that issues stocks and bonds to raise funds results in?

Select one:

- ☐ a. Decrease in Cash
- ☒ b. Increase in Cash
- ☐ c. Increase in Equity
- ☐ d. Increase in Liabilities

[Clear my choice](#)**Question 19**Not yet  
answeredMarked out of  
1.00

The objectives of Cash Flow Statement are?

Select one:

- ☐ a. Analysis of cash position
- ☐ b. Short-term cash planning
- ☐ c. Evaluation of liquidity
- ☒ d. All of the above

[Clear my choice](#)**Question 20**Not yet  
answeredMarked out of  
1.00

Cash flow example from an investing activity is?

Select one:

- ☐ a. Issue of Debenture
- ☐ b. Repayment of Long-term Loan
- ☐ c. Purchase of Raw Materials for Cash
- ☒ d. Sale of Investment by Non-Financial Enterprise

[Clear my choice](#)

**Question 21**Not yet  
answeredMarked out of  
1.00

The basic financial statements include?

Select one:

- ☐ a. Statement of Cash Flows
- ☐ b. Statement of Retained Earnings
- ☐ c. Balance Sheet and Income Statement
- ☒ d. All of the Above

[Clear my choice](#)**Question 22**Not yet  
answeredMarked out of  
1.00

The amount of current assets that varies with seasonal requirements is referred to as \_\_\_\_\_ working capital?

Select one:

- ☐ a. permanent
- ☐ b. net
- ☒ c. temporary
- ☐ d. gross

[Clear my choice](#)**Question 23**Not yet  
answeredMarked out of  
1.00

Which of the following are applications of funds?

Select one:

- ☐ a. Payment of dividend on share capital
- ☐ b. Payment of tax
- ☐ c. Increase in working capital
- ☒ d. All of the above

[Clear my choice](#)**Question 24**Not yet  
answeredMarked out of  
1.00

To financial analysts "working capital" means the same thing as?

Select one:

- ☐ a. total assets
- ☐ b. fixed assets
- ☒ c. current assets
- ☐ d. current assets minus current liabilities.

[Clear my choice](#)**Question 25**Not yet  
answeredMarked out of  
1.00

Cash Flow Statement is based upon?

Select one:

- ☒ a. Cash basis of accounting
- ☐ b. Accrual basis of accounting
- ☐ c. Credit basis of accounting
- ☐ d. None of the above

[Clear my choice](#)

Question 26

Not yet answered

Marked out of 1.00

In cash flows when a company invests in fixed assets and short-term financial investments results in?

Select one:

- ☐ a. Increased Equity
- ☐ b. Increased Liabilities
- ☒ c. Decreased Cash
- ☐ d. Increased Cash

[Clear my choice](#)



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