

OMR Answer Sheet No.

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Question Booklet Number

23/3195

B.C.A. Second Semester Examination, 2023

Booklet Code

A

Financial Accounting & Management

Paper : Fourth

(Major)

(निम्न पूर्तियाँ परीक्षार्थी स्वयं भरें / To be filled in by the Candidate)

अनुक्रमांक (अंकों में) _____

Roll No. (in figures)

अनुक्रमांक (शब्दों में) _____

Roll No. (in words)

Enrolment No. (in figures) _____

कॉलेज का नाम _____

Name of College

| समय : 2 : 00 घण्टे

| Time : 2 : 00 Hours

| अधिकतम अंक : 75

| Maximum Marks : 75

कक्ष निरीक्षक के हस्ताक्षर
Signature of Invigilator

Instructions to the Examinee :

- प्रश्न-पुस्तिका को तब तक न खोलें जब तक आपसे कहा न जाए।
- इस प्रश्न-पुस्तिका में कुल 75 प्रश्न हैं। परीक्षार्थियों को सभी प्रश्न हल करना अनिवार्य है। दिये गये OMR उत्तर-पत्रक पर ही सभी प्रश्न हल करना है। सभी प्रश्नों के अंक समान हैं।
- प्रश्नों के उत्तर अंकित करने से पूर्व प्रश्न-पुस्तिका तथा OMR उत्तर-पत्रक को सावधानीपूर्वक देख लें। दोषपूर्ण प्रश्न-पुस्तिका, जिसमें कुछ भाग छपने से छूट गये हों या प्रश्न एक से अधिक बार छप गये हों या किसी भी प्रकार की कमी हो, उसे तुरन्त बदल लें।

(शेष निर्देश अन्तिम पृष्ठ पर)

(Remaining Instructions on last page)

1. Accounting is the language of :
- (1) Business ✓
 - (2) Statistics
 - (3) Investment
 - (4) Industry
2. Point out the correct accounting equation.
- (1) Capital = Assets + Liabilities
 - (2) Assets = Capital + Liabilities ✓
 - (3) Assets = Capital - Liabilities
 - (4) Liabilities = Capital + Assets
3. Who invented the double entry system of book-keeping?
- (1) Pickles
 - (2) Lucas Pocioli
 - (3) Batliboi
 - (4) Jacob
4. Book-keeping is :
- (1) An Art
 - (2) A science
 - (3) An Art and science both ✓
 - (4) None of the above
5. Users of Accounting information are :
- (1) Government
 - (2) Creditors
 - (3) Investors
 - (4) All of these ✓
6. Which is the current Asset?
- (1) Machinery
 - (2) Furniture
 - (3) Stock ✓
 - (4) Creditors ✗

7. Intangible assets is :
- (1) Building
 - (2) Furniture
 - (3) Goodwill
 - (4) Cash
8. According to going concern concept a business entity is assumed to have :
- (1) a long life
 - (2) a short life
 - (3) a very short life
 - (4) a definite life
9. According to the concept of conservation the stock-in-trade is valued at :
- (1) Cost Price
 - (2) Market Price
 - (3) Cost or Market Price which ever is higher
 - (4) Cost or market price which even is lower
10. Revenue is generally recognised when :
- (1) Production is completed
 - (2) Order for goods is received
 - (3) Goods are delivered
 - (4) Cash is received
11. Accounting Principles are based on :
- (1) Practicability
 - (2) Subjectivity
 - (3) All of these
 - (4) None of these
12. The abbreviation of GAAP stands for :
- (1) Generally Accepted Accounting Policies
 - (2) Generally Accepted Accounting Practices
 - (3) Generally Accepted Accounting principles
 - (4) General Accounts and Audit Procedures

13. Indian Accounting standards are issued by :
- (1) Reserve Bank of India
(2) Central Government
(3) State Government
(4) Institute of Chartered Accounts of India
14. Accounting Standards are :
- (1) A policy document
(2) A mode of conduct
(3) Both
(4) None of these
15. As-6 'Depreciation Accounting' is applicable to :
- (1) Plant and Machinery
(2) Goodwill
(3) Live stock
(4) Forests
16. As per As-26 'Intangible Assets' internally generated goodwill is
- (1) Not recorded
(2) Recorded at cost of generating
(3) Recorded at valuation done by experts
(4) None of the above
17. Prepaid Rent is :
- (1) Personal Account
(2) Real Account
(3) Nominal Account
(4) None of the above
18. Double Entry system originated in
- (1) India
(2) America
(3) Italy
(4) Great Britain

19. Nature of Capital Account is :

- (1) Real Account
- (2) Nominal Account
- (3) Balance Sheet
- (4) Personal Account

22. No journal entry is made for :

- (1) Trade discount
- (2) Cash discount
- (3) Both of them
- (4) None of these

20. Where do we record credit purchase

of furniture in Tally?

- (1) Purchase
- (2) Payment
- (3) Receipt
- (4) Journal

23. Ledger is :

- (1) Personal A/c
- (2) Real A/c
- (3) Nominal A/c
- (4) None of these

21. Journal is also called a :

account is referred to as :

- (1) A day book
- (2) History book
- (3) Ledger book
- (4) An entry book

- (1) Footing
- (2) Credit side
- (3) Debit side
- (4) Balance

25. The main objective of Ledger is to know :
(1) Total sales
(2) Total Purchase
(3) Profit or Loss of the business
(4) Net effect of all the similar nature transactions
26. What is used in preparing a Trial Balance?
(1) Specialised Journals
(2) Balance Sheet
(3) Ledger Accounts
(4) General Journal
27. When is a Trial Balance prepared?
(1) At the end of an accounting period
(2) At the end of a year
(3) Frequently during the year
(4) At the end of every month
28. Trial balance ensures accuracy :
(1) Principle
(2) Arithmetical -
(3) Clerical
(4) None
29. Gross profit is the difference between :
(1) Sales and purchases
(2) Sales and cost of sales
(3) Sales and total expenses
(4) Sales and total liabilities
30. Indirect Manufacturing expenses are also called :
(1) Manufacturing over head
(2) Production
(3) Works over head
(4) All the above.

31. Depreciation is provided on :
- (1) Fixed Assets ✓
 - (2) Current Assets
 - (3) Intangible Assets
 - (4) Debentures
32. A profit and loss sheet is prepared :
- (1) With the trading account
 - (2) In Succession to the trading account ✓
 - (3) Before the trading account
 - (4) It can be prepared any time
33. Balance sheet shows :
- (1) Gross Profit of Financial period
 - (2) Net Profit of Financial period
 - (3) Financial Position on a particular Date ✓
 - (4) All Real, Personal and Nominal Accounts
34. The term financial statement includes :
- (1) Statement of Profit & Loss
 - (2) Statement of Profit & Loss and Balance Sheet
 - (3) Profit and Loss Appropriation A/c and Balance sheet
 - (4) Statement of profit loss, profit loss Appropriation A/c and Balance sheet ➤
35. Financial statement are :
- (1) Estimated Facts
 - (2) Anticipated Facts
 - (3) Recorded Facts –
 - (4) None of these
36. Horizontal analysis sales known as :
- (1) Dynamic analysis
 - (2) Time series analysis
 - (3) Inter firm analysis
 - (4) All the above

37. Trend Ratios and trend percentage are used in :
(1) Dynamic analysis
(2) State analysis
(3) Horizontal analysis
(4) Vertical analysis
40. The most rigorous test of liquidity is :
(1) Current Ratio
(2) Absolute Liquid Ratio
(3) Quick Ratio
(4) All the above
38. Analysis of Financial statement involves :
(1) Trading A/c
(2) P & L A/c
(3) Balance sheet
(4) All ✓
41. Investment can be :
(1) Current Assets
(2) Fixed Assets
(3) Intangible Assets
(4) Either (1) or (2)
42. The term 'Fund' as used in funds flow statement :
(1) Cash
(2) Current Assets
(3) Current Liabilities
(4) Current Assets Current Liabilities

43. Flow of fund takes place where:

- (1) Cash is paid to creditor
- (2) Cash is received from debtors
- (3) Machinery is purchased for cash
- (4) None of the above

44. Cash flow statement is prepared

from :

- (1) Balance sheet
- (2) Profit & loss Account
- (3) Additional Information
- (4) All the above

45. Which of the following is not a cash

- in flow?
- (1) Decrease in Trade Receivables
 - (2) Issues of shares
 - (3) Decrease in trade payables
 - (4) Sale of fixed Assets

46. In cash flow statements the items of

interest is shown in :

- (1) Operating activities
- (2) Investing activities
- (3) Financing activities
- (4) Both (2) & (3)

47. Traditional approach to financial

management is characterised by :

- (1) Descriptive nature
- (2) Sporadic
- (3) Side role indecision making
- (4) All of the above

48. Long term finance is generally need-

ed for a period of :

- (1) Ten years or more
- (2) Five years or more
- (3) Fifteen years or more
- (4) Two years or more

49. The amount of capitalisation is determined by :

- (1) Estimating the financial needs
- (2) Earning theory of capitalisation
- (3) ✓ Estimating the expenses
- (4) None of the above

50. The remedies for under capitalisation are :

- (1) Issue of bonus shares
- (2) Issue of new shares
- (3) Spilting of shares
- (4) All the above

51. The cost of capital includes :

- (1) Cost of equity shares capital
- (2) Cost of preference share capital
- (3) Cost of debt capital
- (4) All the above

52. The cost of capital refers to :

- (1) Cost of obtaining the funds
- (2) Maximum cost of capital
- (3) Maximum rate of return
- (4) All the above

53. Capital structure means :

- (1) Inadequacy of capital
- (2) Total capital invested in the business
- (3) composition of long term sources of funds
- (4) All of these

54. Capital gearing means :

- (1) Relationship between fixed cost bearing and variable cost bearing capital
- (2) Relationship between debt capital and equity capital
- (3) Relationship between EBIT and PBT
- (4) None of these

55. The objective of the trading on eq-

uity is :

- (1) To retain control over the business
- (2) To increase the rate of dividend on equity shares
- (3) (1) and (2)
- (4) None of these

56. Main objective of working capital

management is :

- (1) To create current assets
- (2) To establish co-ordination between liquidity and profitability
- (3) To determine finance policy
- (4) All of the above

57. Current Assets include :

- (1) Cash <https://www.mgkvponline.com>
- (2) Stock
- (3) Debtors
- (4) All of these

58. Liquid Assets means :

- (1) Cash and its equivalents only
- (2) Current assets other than stock and prepaid expenses
- (3) Only cash
- (4) None of these

59. According to 'Net concept' of working capital it is equal to :

- (1) Current Assets
- (2) Liquid Assets
- (3) Current Assets less current liabilities
- (4) All of the above

60. Current Liabilities do not include :

- (1) Bill payable
- (2) Outstanding expenses
- (3) Bank overdraft
- (4) Contingent liabilities

61. BEP is that where :
- There is minimum profit
 - There is maximum loss
 - There is maximum profit
 - There is neither profit nor loss
62. Margin of safety :
- Sales - Fixed cost
 - Sales - Variable cost
 - Sales - Total cost
 - Sales - B.E.P.
63. P/V Ratio =
- $\frac{S-V}{S}$
 - $\frac{S-V}{S} \times 100$
 - $\frac{\text{Profit}}{\text{Sales}} \times 100$
 - None of these
64. What will be the effect on B.E.P. by the increase in fixed cost?
- Decrease
 - No Change
 - Increase
 - None of the above
65. In break even chart y axis represents:
- Volume of sales in units
 - Value of sales in Rupees
 - Cost of sales in Rupees
 - Value of production in Rupees
66. Following is/are the motives for holding cash:
- Transaction motive
 - Precautionary motive
 - Speculative motive
 - All of the above
67. Following is/ are the method for the preparation of cash budget:
- Receipt and payment method
 - Adjusted profit and loss method
 - Projected balance sheet method
 - All the above
68. The following is not a cost of maintaining accounts receivable:
- Capital costs
 - Defaulting costs
 - Collection costs
 - Ordering costs

69. Credit Policy is concerned with the setting of :
(1) Credit standards
(2) Credit of Terms
(3) Collection procedures
(4) All of the above
70. Inventory includes:
(1) The stock of raw materials
(2) The stock of WIP
(3) The stock of finished goods
(4) All of the above
71. The objective of inventory management is:
(1) To ensure continuous supply of material and control wastage of stock
(2) To keep heavy stock of finished goods
(3) To preserve maximum buffer stock
(4) All of the above
72. Reorder level can be calculated using the formula:
(1) Maximum usage \times maximum Re-order period
(2) Minimum usage \times maximum reorder period
(3) Maximum usage \times minimum Re-order period
(4) Minimum usage \times maximum re-order period
73. Inventory turnover ratio is equal to:
(1) Average inventory/sales
(2) Cost of material consumed average stock
(3) Cost of goods sold/sales
(4) None of these
74. On which of the following level the storekeeper should initiate purchase requisition
(1) Re-order level
(2) Minimum level
(3) Maximum level
(4) Average level
75. Minimum level is also known as :
(1) Average stock
(2) Buffer stock
(3) Stock out
(4) None of these