

OMR Answer Sheet No.

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

परीक्षार्थियों के लिए निर्देश :

Instructions to the Examinee :

1. प्रश्न-पुस्तिका को तब तक न खोलें जब तक आपसे कहा न जाए।
2. 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।
3. 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।

1. Do not open the booklet unless you are asked to do so.
2. This booklet contains 75 questions. Examinee have to attempt all questions. All questions attempt on the given OMR Answer Sheet. All questions carry equal marks.
3. Examine the Booklet and the OMR Answer-Sheet very carefully before you proceed. Faulty question booklet due to missing or duplicate pages/questions or having any other discrepancy should be immediately replaced.

(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) $\text{Capital} = \text{Assets} + \text{Liabilities}$
 - (2) $\text{Assets} = \text{Capital} + \text{Liabilities}$ ✓
 - (3) $\text{Assets} = \text{Capital} - \text{Liabilities}$
 - (4) $\text{Liabilities} = \text{Capital} + \text{Assets}$
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 ✓

20. Where do we record credit purchase

of furniture in Tally?

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

21. Journal is also called a :

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

22. No journal entry is made for :

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

23. Ledger is :

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

24. The left hand side of the ledger

account is referred to as :

- (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

38. Analysis of Financial statement in-

volves :

- (1) Trading A/c
- (2) P & L A/c
- (3) Balance sheet
- (4) All ✓

39. Ideal level of current ratio is :

- (1) 4 : 1
- (2) 2 : 1 ✓
- (3) 1 : 1
- (4) 0.5 : 1

40. The most rigorous test of liquidity

is :

- (1) Current Ratio
- (2) Absolute Liquid Ratio
- (3) Quick Ratio
- (4) All the above

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 needed 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 capitalization are :
- (1) Issue of bonus shares
 - (2) Issue of new shares
 - (3) Splitting 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 equity 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 :
- (1) There is minimum profit
 - (2) There is minimum loss
 - (3) There is maximum profit
 - (4) There is neither profit nor loss
62. Margin of safety :
- (1) Sales - Fixed cost
 - (2) Sales - Variable cost
 - (3) Sales - Total cost
 - (4) Sales - B.E.P.
63. P/V Ratio =
- (1) $\frac{S-V}{S}$
 - (2) $\frac{S-V}{S} \times 100$
 - (3) $\frac{\text{Profit}}{\text{Sales}} \times 100$
 - (4) None of these
64. What will be the effect on B.E.P. by the increase in fixed cost?
- (1) Decrease
 - (2) No Change
 - (3) Increase
 - (4) None of the above
65. In break even chart y axis represents:
- (1) Volume of sales in units
 - (2) Value of sales in Rupees
 - (3) Cost of sales in Rupees
 - (4) Value of production in Rupees
66. Following is/are the motives for holding cash:
- (1) Transaction motive
 - (2) Precautionary motive
 - (3) Speculative motive
 - (4) All of the above
67. Following is/ are the method for the preparation of cash budget:
- (1) Receipt and payment method
 - (2) Adjusted profit and loss method
 - (3) Projected balance sheet method
 - (4) All the above
68. The following is not a cost of maintaining accounts receivable:
- (1) Capital costs
 - (2) Defaulting costs
 - (3) Collection costs
 - (4) 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 ✓
 - (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