

BCA
(SEM.II) BCA-2004:
FINANCIAL ACCOUNTING & MANAGEMENT

REVISED QUESTIONS ANSWERS

EXAMINATION PAPER OF (2022-23)	
Questions	Answers
28. Financial accounting covers overall performance of the (A) competitors (B) markets (C) company (D) finance department	(C) company
34. YZ Ltd. follows the straight line method of depreciation year after year due to : (A) consistency (B) comparability (C) convenience (D) All of the above	(C) consistency
36. Book – keeping is conserved with : (A) recording financial data relating to business (B) designing for system recording, classifying and summarizing recorder data (C) interpreting data for internal and external users (D) None of the above	(A) financial data relating to business
39. Which accounting is concerned with generating accounting information relating to funds, costs, profits etc. ? (A) Management (B) Cost (C) Financial (D) None of the above	(C) Financial
60. When only the debit or credit balances of various accounts are entered into the two columns, then this method is called : (A) Balance method (B) Total method (C) Mediation method (D) None of the above	(A) Balance method

69. Advertising campaign to launch a new product is an example of : (A) capital expenditure (B) revenue expenditure (C) deferred revenue expenditure (D) None of the above	(C) deferred revenue expenditure
71. Purchase return is also termed as : (A) return inward (B) returned outward (C) Both (A) and (B) (D) None of the above	(A) Return outward
80. It is essential to standardize the accounting principles and policies in order to ensure : (A) Profitability (B) Transparency (C) Reputation (D) All of the above	(D) All of the above
EXAMINATION PAPER OF (JULY- 2022)	
7. Which of the following is debited to the trading account? (A) Sales (A) Closing stock (C) Salaries & wages (D) Wages & salaries	(D) Wages &Salaries
14. Discount received account will always have : (A) Credit balance (B) Debit balance (C) Both (A) and (B) (D) None of the above	(A) Credit balance
15. What type of following accounts will have the debit balance only? (A) Real account (B) Personal account (C) Nominal account (D) All of the above	(A) Real account
19. A ledger is called the book of (A) Original entry (B) Final entry (C) Secondary entry (D) Both (b) & (c)	(B) Final entry

21. Which of the following is the correct formula to calculate the cost of debt issued at premium of discount : (A) $K_d = \frac{C}{P}(1-T)$ (B) $K_d = (1-T)R$ (C) $K_d = \frac{DP}{P}$ (D) None of the above	(a) $K_d = (1-T)R$
31. Which one of the following emphasizes the qualitative aspects of working capital management? (A) Gross working capital (B) Quick working capital (C) Net working capital (D) None of the above	(c) Net working capital
50. Which of the following is not an approach to the capital structure? (A) Gross profit approach (B) Net operating income approach (C) Net income approach (D) Modigliani-miller approach	(a) Gross profit approach
52. Establishment expenses of new machine will be debited in : (A) Expenses account (B) Machine account (C) Profit and loss account (D) None of the above	(b) Machine account
55. What account will be debited if cheque received from a debtor and not deposited to bank the same day? (A) Cash a/c (B) Debtors a/c (C) Bank a/c (D) None of the above	(a) Cash a/c
74. What is accounting equation? (A) Assets=Capital + Liability (B) Assets=Liabilities-Capital (C) Capital=Assets + Liability (D) None of the above	(A) Assets=Capital + Liability

75. Which type of asset class include those assets which have only definite use and become value less when the yield is over? (A) Fixed assets (B) Current assets (C) Fictitious assets (D) Wasting assets	(A) Fixed assets
84. ABC Ltd. follows the written down value method of depreciating building year after year due to : (A) Convenience (B) Consistency (C) Comparability (D) All of the above	(B) Consistency
91. Debenture is a : (A) White paper (B) Promissory note (C) Voting paper (D) All of the above	(B) Promissory note
94. Preference shares which guarantee a fixed rate of dividend is known as : (A) Cumulative preference shares (B) Non-cumulative preference shares (C) Participating preference shares (D) None of the above	(A) Cumulative preference shares
99. Payment of dividend should be done within _____ days of its declaration. (A) 30 days (B) 45 days (C) 42 days (D) 90 days	(A) 30 days
MODEL PAPER – I	
Q.14. Which of the following equation is related with Dual Aspect Concept? (A) Total Assets = Total Liabilities (B) Total Assets = Capital + Outsider's Liabilities (C) Capital = Total Assets - Outsider's Liabilities (D) All of the above	(D) All of the above

<p>Q.20.Accounting concepts are based on _____.</p> <p>(A) Certain assumptions (B) Certain facts and figures (C) Certain accounting records (D) Practice experience</p>	(b) Certain facts and figures
<p>Q.35.Accounting standards are issued for the purpose of –</p> <p>(1) Improving dependability of financial statements (2) Auditing work becomes easy task for the auditor (3) Elimination of non-comparability between financial statements</p> <p>The correct answer is –</p> <p>(A) Only 2 (B) Only 3 (C) Only 1 (D) All of the above</p>	(d) All of the above
<p>Q.39.Identify which is wrong rule</p> <p>(A) Nominal account- debit all expenses & losses (B) Real account- credit what comes in (C) Nominal account- credit all incomes & gains (D) Personal account- debit the receiver</p>	(b) Real account- credit what comes in
<p>Q.96.Bill discounting is always with_____.</p> <p>(A) Resources (B) non-recourse (C) recourse or without recourse (D) resource</p>	(c) recourse or without recourse
<p>Q.99.Which of the following transactions would not create a cash flow?</p> <p>(A) A company purchased some of its own shares from a shareholder. (B) Amortization of a patent (C) Payment of a cash dividend. (D) Sale of equipment at book value.</p>	(d) Sale of equipment at book value.

MODEL PAPER – II	
<p>Q.65.Accounting is treated as both science and an:</p> <p>(A) Science (B) Art (C) Option (D) None of (A) and (B) the above</p>	(C) Option (A) and (D)
<p>Q.95.Which of the following term is applicable about consignment?</p> <p>(A) Sale of goods (B) Hypothecation of goods (C) Shipment of goods (D) Mortgage of goods</p>	(C) Shipment of goods
MODEL PAPER – III	
<p>Q.6. Report in cash position is a _____.</p> <p>(A) Exception Report (B) Summary Report (C) Responsibility Report (D) Demand Report</p>	(B) Summary Report
<p>Q.7. In ledger there are _____ columns.</p> <p>(A) 4 (B) 6 (C) 8 (D) 10</p>	(A) 4
<p>Q.23.If X co-venture takes away of goods under memorandum Joint Venture Method then, he will debit these goods in his books to-</p> <p>(A) Sales Account (B) Purchase Account (C) Personal Account (D) Joint Venture Account</p>	(D) Joint Venture Account
<p>Q.45.When credit balance as per pass book is the starting point of a Bank Reconciliation Statement then bank charges are:</p> <p>(A) Subtracted (B) Added (C) Either (a) or (b) (D) None of the above</p>	(A) Subtracted

Q.48.X sends out goods to Y, costing 3,60,000. Goods are to be sold at cost plus 25% on sales. The consignor asked consignee to pay an advance for an amount equivalent to 60% of sales value. The amount of advance will be_____. (A) 2,88,000 (B) 2,16,000 (C) 2,70,000 (D) 3,36,000	(A) 2,88,000
Q.52.At the time of preparation of financial accounts, balance of Bad Debts Recovered Account will be transferred to (A) Debtor's Personal a/c (B) Profit & Loss a/c (C) Bad Debts a/c (D) Profit & Loss Appropriation a/c	(B) Profit & Loss a/c
Q.53.In case of not for profit making concern, endowment fund receipt is treated as (A) Capital Receipt (B) Revenue Receipt (C) Either (A) or (B) (D) Neither (A) nor (B)	(A) Capital Receipt
Q.54.Any donation received for a specific purpose should be credited to (A) Income and Expenditure Account (B) Capital Fund (C) Special Fund (D) Either (A) or (B)	(C) Special Fund
Q.57.Credit purchase of fixed asset is recorded in (A) Journal Proper (B) Purchase book (C) Cash book (D) Petty Cash Book	(A) Journal Proper

Q.59.Till the discounted bill is paid by the acceptor, it remains as: (A) a contingent liability (B) a current liability (C) an asset (D) an expense	(A) a contingent liability
Q.65.The valuation procedure for stock is cost or net realisable value, whichever is lower. The procedure follows as per (A) Historical Cost Concept (B) Going Concern Concept (C) Money Measurement Concept (D) Conservatism Concept	(D) Conservatism Concept
Q.69.Profit and loss account is prepared for a period of one year by following the concept of: (A) Consistency Concept (B) Cost Concept (C) Going Concern Concept (D) Periodicity Concept	(D) Periodicity Concept
Q.77.Which of the following is not a paper transaction? (A) Charge of depreciation (B) Discount received (C) Bad debts written off (D) Cash stolen from office	(D) Cash stolen from office
Q.84.In case of, deposited of cheque into bank but not collected, the balance is less as per _____ (A) Cash book (B) Pass book (C) Pass book overdraft (D) Both (A) and (B)	(C) Pass book overdraft