

Hi-Tech Institute of Engineering & Technology

DEPARTMENT OF BCA

Course - BCA

(SEM - 2) EVEN SEMESTER MODEL TEST PAPER

SUBJECT - Financial Accounting And Management

Subject Code: BCA-205

Time: Three Hours

Maximum Marks : 75

NOTE : Attempt *all* the sections as per instructions. Use of calculator is not prohibited.

Section-A

(Very Short Answer Type Question)

NOTE : Attempt all five questions. Very short answer is required, not exceeding 75 words. **3x5 = 15**

1. What do you mean by 'Break-Even-Point'?
2. Explain the meaning of term 'Journal and Cash-Book'.
3. What is 'Cost of Capital'? Explain its relevance in financial decisions.
4. What is 'Fund Flow Statements'?
5. What do you mean by Double Entry System of Accounting?

Section-B

(Short Answer Questions)

NOTE : Attempt any two Questions. Short answer is required, not exceeding 200 words. **7.5 x 2 = 15**

1. Explain 'Working Capital Management' and the factors influencing the composition of working capital management.
2. Give the difference between Single and Double Column Cash-book.
3. What is Break-Even point? Illustrate with an example.

Section-C

(Long Answer Type Questions)

NOTE : Attempt any three Questions out of the following five questions. Answer

is required in detail.

15 x 3 = 45

1. Efficient “Cash management will aim at maximizing the cash inflows and slowing cash outflows”. Discuss this statement.
2. From the following data calculate:
 - a) Gross Profit Ratio
 - b) Net Profit Ratio
 - c) Current Ratio
 - d) Liquid Ratio

Sales Rs. 34,000; Sales Return Rs. 4,000; Cost & Net Sale Rs. 20,000;

Net Profit Rs. 3,000; Current Assets Rs. 6,000; Stock Rs. 1,000;

Current Liabilities Rs. 2,000.

3. Describe the principal ratios, which you consider significant to judge the
 - (I) Profitability, and
 - (II) Solvency of a concern
4. Explain the different rules for journalising the transaction with appropriate illustrations.
5. Balance Sheet of m/s A&B as on 1st Jan,2016 and 31st Dec,2016 were as follows:

Liabilities	1:1:16 Rs.	31:12:16Rs.	Assets	1:1:16 Rs.	31:12:16Rs.
Creditors	40,000	44,000	Cash	10,000	7,000
Mrs A's Loan	25,000	-	Debtors	30,000	50,000
Loan From Bank	40,000	50,000	Stock	35,000	25,000
Capital	1,25,000	1,53,000	Machines	80,000	55,000
			Land	40,000	50,000
			Buildings	35,000	60,000
	2,36,000	2,47,000		2,30,000	2,47,000

During the year, machines costing Rs. 10,000 (accumulated depreciation Rs.3,000) was sold for Rs.5,000. The provision for depreciation against machinery as on 1.1.16 was 25,000 and on 31.12.16 Rs.40,000. Net profit for the year 2016 amounted to 45,000.

You are required to prepare:

- a) A statement of change in working capital.
- b) A funds flow statement.