

Roll No. ....

## BCA-204(N)

B. C. A. (Second Semester)  
EXAMINATION, May, 2012

(New Course)

Paper Fourth

### FINANCIAL ACCOUNTING AND MANAGEMENT

Time : Three Hours ]

[ Maximum Marks : 75

Note : Attempt two questions from Section A, any seven questions from Section B and Section C is compulsory.

#### Section - A

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1. Explain the fundamental assumptions necessary for preparing financial statements.
2. Explain the following :
  - (a) Meaning of inventory management
  - (b) Objectives of inventory management
  - (c) Economic order quantity
3. The following information is given :

Current ratio	2.5 : 1
Acid test ratio	1.5 : 1
Current liabilities	₹ 60,000

Find out :
  - (a) Current assets
  - (b) Liquid assets
  - (c) Stock (Inventory)

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## Section – B

6 each

4. Explain briefly (50 words each) any *seven* of the following :
- (a) Users of accounting information
  - (b) Journal and ledger
  - (c) Break-even analysis
  - (d) Long term sources of finance
  - (e) Objectives of financial management
  - (f) Components of working capital
  - (g) Cost theory of capitalization
  - (h) Accounting standards
  - (i) Motives for holding cash
  - (j) Costs associated with receivables
  - (k) Capital expenditure and revenue expenditure

## Section – C

5. (a) State under what heading (Personal, Real, Nominal) would you classify each of the following accounts :
- 5
- (i) Proprietors Accounts
  - (ii) Salary Prepaid Account
  - (iii) C. S. J. M. University Account
  - (iv) Insurance unexpired
  - (v) Goods Account
  - (vi) Machinery Account
  - (vii) Patent Account
  - (viii) Bad-debts Account

(ix) Commission received Account

(x) Rent account

(b) From the following balances of Agro Ltd. books prepare a balance sheet as at December 31, 2011 : 10

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<i>Particulars</i>	<i>Amount</i> (₹)	<i>Amount</i> (₹)
Net profit	—	81,840
Drawing	17,160	—
Short term Investments	10,560	—
Closing Stock	52,800	—
Bills Receivable	13,200	—
Bills payable	—	7,920
Debtors	42,240	—
Sundry creditors	—	31,680
Capital	—	1,98,000
Bank overdraft	—	23,760
Land and building	79,200	—
Furniture	19,800	—
Cash-in-Hand	2,640	—
Plant and Machinery	1,05,600	—
	3,43,200	3,43,200

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