

Roll No.

0102690

K

BCA-204(N)

**B. C. A. (Second Semester)
EXAMINATION, May, 2019**

(New Course)

Paper Fourth

FINANCIAL ACCOUNTING AND MANAGEMENT

Time : Three Hours] [Maximum Marks : 75

Note : Attempt questions from all Sections as directed.

Inst. : The candidates are required to answer only in serial order. If there are many parts of a question, answer them in continuation.

Section—A

(Short Answer Type Questions)

Note : Attempt all questions. Each question carries 3 marks.

1. (A) Discuss main points of Depreciation Accounting as given in AS-6.
- (B) Explain the meaning and significance of going concern principle.
- (C) Sales ₹ 34,000; Sales return ₹ 4,000; Cost of net sales ₹ 20,000; Net Profit ₹ 3,000; Current Assets ₹ 6,000; Stock ₹ 1,000 and Current Liabilities ₹ 2,000.

(B-11) P. T. O.

[2]

BCA-204(N)

Find out the following ratios :

- (i) Current ratio
(ii) Liquid ratio

(D) If net working capital of current year is ₹ (-) 50,000, while it was ₹ (-) 70,000 in the previous year, what is the net change in working capital ?

(E) A company had the following balances :

- (i) Investments at the beginning of the year ₹ 34,000.

- (ii) Investments at the end of the year ₹ 28,000.

During the year the company had sold 40% of its investment held in the beginning of the year at a profit of ₹ 8,400. Calculate cash flow from investment activities.

(F) Calculate 'per unit' and 'total' contribution :

Sales (in ₹)	40,000
Sales (in units)	4000
Variable Cost	₹ 30,000

(G) Calculate B. E. P. in units and rupees from the following :

Units Produced	10000
Fixed Cost	₹ 40,000
Selling Price	₹ 50 p. u.
Variable Cost	₹ 30 p. u.

(H) Define the overcapitalization.

(I) Define the E. O. Q.

(B-11)

[3]

BCA-204(N)

Section—B

12 each

(Long Answer Type Questions)

Note : Attempt any two questions.

2. From the following information prepare fund flow statement :

Balance Sheet (as on 31st March)

Liabilities	2007 (₹)	2006 (₹)
Capital	5,000	4,000
Retained Earning	6,000	3,420
General Reserve	4,200	3,180
Loan	4,000	6,400
Accumulated Depreciation	1,200	900
Current Liability	7,000	6,720
	27,400	24,620

Assets	2007 (₹)	2006 (₹)
Land	6,000	8,000
Building	4,000	4,000
Furniture	3,000	5,000
Current Assets :		
Stock	4,000	2,000
Cash	6,000	620
Debtor	4,400	5,000
	27,400	24,620

(B-11) P. T. O.

[4]

BCA-204(N)

Additional Information :

- (i) These was an issue of bonus shares of ₹ 1,000.
 - (ii) Land was purchased costing ₹ 2,500.
 - (iii) Furniture costing ₹ 2,000 with accumulated depreciation ₹ 700 was sold for ₹ 1,000.
 - (iv) Payment of dividend ₹ 500; taxes ₹ 350.
3. Explain in detail the calculation of Cash flow from three types of activities in cash flow statement with reference to AS-3.
 4. Comment on "Profit-Maximization v/s Wealth Maximization".
 5. Calculate the price of an equity share according to dividend capitalization approach and earning capitalization approach with the following information : EPS ₹ 20.
Capitalization Rate—12%
Retained Earning—Nil

Section—C

12 each

(Long Answer Type Questions)**Note :** Attempt any two questions.

6. What is the management of working capital ? Discuss the factor determining working capital.
7. Write short notes on the following :
(i) Cash Management
(ii) Inventory Management
8. What is Financial Management ? Explain its scope and function.

(B-11)

[5]

BCA-204(N)

9. The following information is available for a company :
₹
Equity share capital (20000 @ 100 each) 2,00,000
Reserve and Surplus 2,00,000
10% Debentures 3,00,000
Assuming tax rate is 50%. Currently the company is paying a dividend of ₹ 15 per share. Compute weighted average cost of capital.

BCA-204(N)

(B-11)

