

**VPM's**  
**Programme: EpMBA (2017-18)**  
**Batch: 13**  
**First Semester Examination Jan 2018**

<b>Subject Name</b>	<b>Financial and Cost Accounting</b>		
<b>Roll No.</b>		<b>Marks</b>	<b>60 Marks</b>
<b>Total No. of Questions</b>	<b>60</b>	<b>Duration</b>	<b>2 Hours</b>
<b>Total No. of pages</b>		<b>Date</b>	

Q1. IFRS stands for

- A. International Financial Requesting Standards
- B. Indian Financial Reporting Standards
- C. International Financial Reporting Standards
- D. None of the above.

Q2. Analysis of Financial Statements comprises of

- A. Balance Sheet
- B. Profit and Loss Account
- C. Trading Account
- D. All of the above

Q3. Interpretation of Financial Statements is

- A. Art and Science of translating the figures
- B. Time Pass
- C. None of the above
- D. All of the above.

Q4. Charges paid for the Installation of Fixed Asset should be debited to

- A. Wages Account
- B. Installation Charges
- C. Fixed Assets
- D. Should not be recorded

Q5. Cash Account will always show a \_\_\_\_\_ balance

- A. Debit
- B. Credit
- C. Negative
- D. Positive

Q6. All entries are posted from Journal to \_\_\_\_\_

- A. Ledger
- B. Journal
- C. Balance Sheet
- D. Profit & Loss

Q7. Brokerage is a \_\_\_\_\_ account

- A. Nominal A/c.
- B. Real A/c.
- C. Personal A/c.
- D. None of the above

Q8. AS-2

- A. Revenue
- B. Value of Inventories
- C. Accounting for Taxes
- D. None of the above

Q9. Money Value of Business Reputation is called \_\_\_\_\_

- A. Premises
- B. Liability
- C. Goodwill
- D. Assets

Q10. Uncertain Liability is known as \_\_\_\_\_

- A. Capital
- B. Current
- C. Long Term
- D. Contingent

Q11. Surplus of Income Over expenses is \_\_\_\_\_

- A. Deficit
- B. Loss
- C. Profit
- D. None of the above.

Q12. Purchased Stationery for Cash, which Account is debited

- A. Purchase Account
- B. Cash Account
- C. Goods Account
- D. Stationery Account

Q13. GAAP stands for

- A. General Accounts Accepted Procedure
- B. Generally Accepted Accounting Principles
- C. Generally Accepted Accounts Principles
- D. None of the above

Q14. According to the \_\_\_\_\_ concept business has a separate entity and independent legal existence

- A. Business Entity Concept
- B. Money Measurement Concept
- C. Going on Concept
- D. A and B

Q15. \_\_\_\_\_ refers to the amount withdrawn by the proprietor from the business for personal use.

- A. Capital
- B. Drawings
- C. Loan
- D. Liability

Q16. In India for Taxation purpose Accounting year starts from

- A. 1<sup>st</sup> Nov to 31<sup>st</sup> Oct.
- B. 1<sup>st</sup> April to 31<sup>st</sup> March
- C. 1<sup>st</sup> Jan to 31<sup>st</sup> March
- D. 1<sup>st</sup> April to 31<sup>st</sup> December.

Q17. A person who is unable to pay his debts, is called

- A. Insolvent
- B. Solvent
- C. Well to do
- D. Poor

Q18. Accounting is the system of

- A. Recording
- B. Summarizing
- C. Analyzing
- D. All of the above

Q19. Primary Users of Accounting Information

- A. Management
- B. Employees
- C. Owners
- D. All of the above

Q20. Assets = \_\_\_\_\_ + \_\_\_\_\_

- A. Liabilities and Equity
- B. Liabilities and Expenditure
- C. Equity and Drawings
- D. All of the above

Q21. Management accounting means

- A. Aims to record and report Accounting information
- B. Aims to analyze and interpret Accounting information
- C. Aims in finding the cost of production
- D. None of the above

Q22. Forensic Accounting means

- A. Investing Frauds
- B. Claims and Dispute resolutions
- C. A & B

D. None of the above

Q23. Assets in business means

- A. Some thing that business owes
- B. Something that business owns
- C. Both A & B
- D. None of the above

Q24. Balance Sheet is a

- A. Statement of Financial Position
- B. Statement of Income and Expenses
- C. Statement of Owners Equity
- D. All of the above

Q25. Consistency in Accounts

- A. To earn the same profit
- B. To spend the same expenses
- C. To follow the same accounting practices
- D. None of the above

Q26. Ratio Analysis is expressed in

- A. Pure Ratio form
- B. Percentage form
- C. Rate form
- D. All the above

Q27. When Cash is deposited in Bank what is the accounting effect

- A. Bank Account Debit
- B. Cash Account Credit
- C. A& B
- D. None of the above

Q28. In Vertical Balance Sheet, Working Capital is equal to

- A. Current Assets Less Current Liabilities
- B. Fixed Assets Less Current Liabilities
- C. Is equal to Capital Employed
- D. None of the above

Q29. Total Funds Used is

- A. Fixed Assets + Investments + Working Capital
- B. Current Assets + Investments – Current Liabilities
- C. Fixed Assets + Investments + Current Assets
- D. None of the above

Q30. Tangible Assets

- A. Land
- B. Vehicle
- C. Computer
- D. All of the above

Q31. Standard Liquid Ratio is

- A. 2:1
- B. 1:1
- C. 1.33:1
- D. None of the above

Q32. The current ratio of M/s. ABC Ltd. is 1.8:1. The Liquidity Position of the company is

- A. Excellent
- B. Manageable
- C. Bad
- D. Not known

Q33. Expense Ratio is

- A. Balance Sheet Ratio
- B. Composite Ratio
- C. Profit and Loss Ratio
- D. None of the above

Q34. The term financial Statements refers to

- A. Balance Sheet
- B. Profit and Loss Statement
- C. Cash flow statement
- D. All of the above

Q35. Current Ratio is a

- A. Balance Sheet Ratio
- B. Profit and Loss Ratio
- C. Composite Ratio
- D. None of the above

Q36. Debit what comes in and Credit what goes out

- A. Nominal Account
- B. Personal Account
- C. Real Account
- D. Fictitious Account

Q37. Trail Balance shows only \_\_\_\_\_ Accuracy

- A. Arithmetical
- B. Accounting
- C. Financial
- D. None of the above

Q38. In a Journal business transaction are recorded in a \_\_\_\_\_ order

- A. Ascending Order
- B. Descending Order

- C. Chronological Order
- D. Alphabetical Order

Q39. Capital is \_\_\_\_\_ of the business

- A. Assets
- B. Liability
- C. Money
- D. Property

Q40. Gross Profit Ratio is calculated by

- A.  $\text{Gross profit/Net Sales} * 100$
- B.  $\text{Net Profit/Net Sales} * 100$
- C. A & B
- D. None of the above

Q41. Purchase Account always shows a

- A. Credit Balance
- B. Debit Balance
- C. Negative Balance
- D. error

Q42. Fixed Assets are also known as

- A. Non-Current Assets
- B. Non Assets
- C. Non-Current Liabilities
- D. Investments

Q43. Bank Overdrafts comes under

- A. Current Assets
- B. Current Liabilities
- C. Investments
- D. Capital

Q44. Net profit After Tax is same as Net Profit before Tax

- A. True
- B. False
- C. Correct
- D. None of the above

Q45. Intangible Assets means

- A. Which can be seen
- B. Which cannot be seen and touched
- C. Which can be touched
- D. All of the above

Q46. In Cash Purchases \_\_\_\_\_ account is credited

- A. Purchase Account

- B. Creditors Account
- C. Cash Account
- D. Bank Account

Q47. The amount Brought in by a Proprietor in the business should be credited to

- A. Capital Account
- B. Drawings Account
- C. Cash Account
- D. Furniture Account

Q48. Balance Sheet Ratio

- A. Liquid Ratio
- B. Current Ratio
- C. Gross Profit Ratio
- D. A & B

Q49. Personal Account

- A. Bank of Maharashtra
- B. Furniture
- C. Mina's Capital A/c
- D. A & C

Q50. Purchase Returns

- A. Has a credit Balance
- B. Has a Debit Balance
- C. No balance
- D. Excess Balance

Q51. Commission Received will have a

- A. Debit Balance
- B. Credit Balance
- C. Positive Balance
- D. All of the above

Q52. In Comparative Financial Statements

- A. We compare two years financial position
- B. More than two years financial position
- C. No comparison is made
- D. Only Sales is compared

Q53. Trail balance is the list of

- A. Ledger Accounts
- B. Real Accounts
- C. Personal Accounts
- D. Nominal Accounts

Q54. Rule of Personal Account is

- A. Debit all expenses or losses and credit all incomes and gain
- B. Debit what comes in and credit what goes out
- C. Debit the receiver and credit the giver
- D. None of the above

Q55. Internal User of Accounting Information

- A. Supplier
- B. Banker
- C. Production Manager
- D. Income tax Department

Q56. According to Accrual concept of accounting Business transaction is recorded

- A. When Cash is paid or received
- B. When Balance Sheet is Prepared
- C. When Profit is calculated
- D. When Transaction Occurs

Q57. Which of the following is not a method for financial Analysis?

- A. Trend Analysis
- B. Ratio Analysis
- C. Technical Analysis
- D. Common size Statements

Q58. Revenue Statement Ratio

- A. Operating Ratio
- B. Expense Ratio
- C. Net Profit Ratio
- D. All the above

Q59. Total Funds Available is also called as

- A. Total Funds Used
- B. Capital Employed
- C. Loans Fund
- D. Owner's Fund

Q60. In "T" Form Balance Sheet Liabilities come in the

- A. Right Hand side of the Balance Sheet
- B. Left Hand Side of the Balance Sheet
- C. Below the Assets
- D. Above the Assets



Answers – EPMBA Paper – Subject :-Financial and Cost Accounting

Set 1

1. C.
2. D.
3. A.
4. C.
5. A.
6. A.
7. A.
8. B.
9. C.
10. D.
11. D.
12. D.
13. B.
14. A.
15. B.
16. B.
17. A.
18. D.
19. D.
20. A.
21. B.
22. C.
23. B.
24. A.
25. C.
26. D.
27. C.
28. A.
29. A.
30. D.
31. B.
32. B.
33. C.
34. D.
35. A.
36. C.
37. A.
38. C.
39. B.
40. A.
41. B.
42. A.
43. B.
44. B.
45. B.
46. C.

- 47. A.
- 48. D.
- 49. D
- 50. A.
- 51. B.
- 52. A.
- 53. A.
- 54. C.
- 55. B.
- 56. D.
- 57. C.
- 58. D.
- 59. B.
- 60. B.