

14805

Roll No. _____

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MCA I - Sem. (Main) Exam., Dec. - 2018
MCA – 105 Accounting and Financial Management

Time: 3 Hours

Maximum Marks: 80

Min. Passing Marks: 32

Instructions to Candidates:

Attempt all questions, Marks of question are indicated against each question.

Use of following supporting material is permitted during examination.

(Mentioned in form No. 205)

1. NIL

2. NIL

Q.1 Answer the following questions in one line:

[10×1=10]

- (a) What is Accounting Equation?
- (b) What is the purpose for preparing Trail Balance?
- (c) What do you mean by Marshalling of Assets?
- (d) What is Balance Sheet?
- (e) What is Acid – test Ratio?
- (f) What is the formula of Debtor Turnover Ratio?
- (g) Define Contribution.
- (h) Mention any one purpose of Cost Accounting.
- (i) What do you mean by Present Value?
- (j) What do you know about Profit Maximization Objectives?

Q.2 Answer each part in maximum 50 words:

[5×3=15]

- (a) What do you know about Double Entry Accounting System?
- (b) What do you understand by Final Accounts? What are its purpose?
- (c) What are the limitations of Accounting Ratios?
- (d) What is Marginal Costing? What are its purpose?
- (e) How wealth maximization objective is superior then profit maximization objective? Mention any two.

Q.3 Answer each part in maximum 150 words: [5×4=20]

- (a) What is accounting? What are its scope?
- (b) How treatment of adjustment for 'outstanding expenses', 'accrued income', 'unearned income' and 'closing stock' is made?
- (c) What is 'Creditor Turnover Ratio' and 'Operating Ratio'? How these ratios are helpful in business decision making?
- (d) What is the definition of Cost Accounting? What are its advantages?
- (e) What are the functions of Financial Management? Explain.

Q.4 Short notes:

- (a) Different methods for preparing Trial Balance with imaginary data. [10]
- (b) Different branches of accounting. [10]

Q.5 Roshi Corporation Ltd. has prepared the following budget estimates for the year 2017-18. <http://www.mgsuonline.com> [15]

Sales Units	15,000
Fixed Expenses ₹	34,000
Sales value ₹	1,50,000
Variable Costs ₹	6 per unit

You are required to:

- (i) Find the P/V ratio; break-even point and margin of safety.
- (ii) Calculate the revised P/V ratio, break – even point and margin of safety in each of the following cases:
 - (a) Decrease of 10% in selling price;
 - (b) Increase of 10% variable costs;
 - (c) Increase of sales volume by 2000 units;
 - (d) Increase of ₹ 6,000 in fixed costs.

OR

Prepare Trading Account, Profit and Loss Account and Balance Sheet for the year ending on 31st March 2018 from the following balances; [15]

Particulars	Amount (in Rupees)
Capital	1,00,000
Drawings	17,600
Purchases	80,000
Sales	1,40,370
Purchases Returns	2,820
Stock (1- 4 - 2017)	11,460
Bad Debts	1,400
Bad Debts Reserve (1 - 4 - 2017)	3,240
Rates & Insurance	1,300
Discount received	190
Bills Receivable	1,240
Sales Returns	4,240
Wages	6,280
Buildings	25,000
Rent Received	2,100
Railway freight and other expenses on goods sold	16,940
Carriage Inwards	2,310
Office Expenses	1,340
Printing & Stationary	660
Postage & Telegrams	820
Sundry Debtors	62,070
Sundry Creditors	18,920
Cash at Bank	12,400
Cash in hand	2,210
Office Furniture	3,500
Salary & Commission	9,870
Addition to Building	7,000