Roll No. ....

Total No. of Questions : 09] [Total No. of Pages : 04

MCA (Sem. - 1st)

ACCOUNTING AND FINANCIAL MANAGEMENT

SUBJECT CODE : MCA - 104 (2012 & Onward)

Paper ID : [B0131]

Time : 03 Hours **Maximum Marks : 100**

Instruction to Candidates:

1) Attempt any One question from Sections - **A, B,C & D.**
2) Section - E is **Compulsory**.

Section - A

(1 × 20 = 20)

Q1) a) Write note on double entry system of book keeping.

b) Describe in brief the basic books of accounts of sole proprietorship concern.

Q2) From the following trial balance of ABC, prepare the trading and profit and loss account and Balance Sheet as on 31st March, 2013

Trial Balance of ABC as on March 31, 2013

Account Title	L.F.	Debit Amount Rs.	Credit Amount Rs.
Cash		5,000	
Capital			22,000
Bank		3,000	
Sales			1,45,000
Wages		7,000	
Creditors			20,000
Salaries		25,000	
10% Long term loan			10,000
Furniture		14,000	
Commission received			5,000
Rent of building		23,000	
Debtors		45,000	
Bad debts		5,000	
Purchases		75,000	
	Total	**2,02,000**	**2,02,000**

Additional Information: Closing stock of ABC is Rs. 5,000.

Section - B

(1 × 20 = 20)

Q3) What do you mean by solvency position of a business organization? Explain various ratios, with the help of a hypothetical example, which are calculated to analyze the solvency position of a business organization.

Q4) Below given is the Profit and Loss account and Balance Sheet of Western Electronics.

You are required to Prepare Cash Flow Statement.

Profit and Loss Account of Western Electronics

For the year ending 31st March, 2013

Particulars	**Amount (Rs.)**
Sales	6,70,000
Interest Income	20,000
Gain on Sale of Investments	30,000
Total Income	**7,20,000**
Expenses	
Cost of Goods Sold	4,50,000
Depreciation	90,000
Selling and Administrative Expenses	50,000
Interest Expense	10,000
Loss on Sale of Plant and Machinery	5,000
Total Expenses	**6,05,000**
Profit Before Income Tax	**1,15,000**
Less Income Tax	67,500
Profit after tax	**67,500**

Balance Sheet of Western Electronics

as on 31st March, 2013

Particulars	2012	2013
Sources of Funds		
Shareholders Funds		
Equity Share Capital	85,000	1,55,000
Profit and Loss Account	1,20,000	1,87,500
Total Shareholders' Funds	**2,05,000**	**3,42,500**
Loan Funds	**2,50,000**	**2,45,000**
Current Liabilities		
Bills Payable	10,000	7,000
Creditors	1,80,000	30,000
Total Current Liabilities	**1,90,000**	**37,000**
Total	**6,45,000**	**6,24,500**
Application of Funds		
Fixed Assets	2,40,000	3,00,000
Investments	80,000	50,000
Current Assets		
Inventories	1,50,000	50,000
Debtors	85,000	1,20,000
Cash	90,000	1,04,500
Total	**6,45,000**	**6,24,500**

Section - C

(1 × 20 = 20)

Q5) a) Explain the importance and basic principles of costing.

b) What is Break Even Point? How is it useful in effecting business decisions regarding launching of new products and/or continuation with production of old products and services.

Q6) Define Budget. How does Budgetary Control help the management in improving operational efficiency?

Section - D

(1 × 20 = 20)

Q7) "Computerized accounting offers numerous advantages as compared to manual accounting." Explain this statement.

Q8) Explain in brief any three computer programs used for maintenance of financial accounts.

Section - E

(10 × 2 = 20)

Q9) Write note on each of the following:

a) Dual Aspect Concept

b) Trial Balance

c) Absolute Liquid Ratio

d) Cash from operating activities

e) Contribution

f) Margin of Safety

g) Current Assets

h) Journal

i) Artificial Personal Account

j) Efficiency Ratios

❄❄❄