Roll No. ☐☐☐☐☐☐☐☐☐☐☐☐ **Total No. of Pages : 03**

Total No. of Questions : 09

MCA (2015 Batch) (Sem.–1)

ACCOUNTING & FINANCIAL MANAGEMENT

Subject Code : MCA-104

Paper ID : [72710]

Time : 3 Hrs. **Max. Marks : 60**

INSTRUCTIONS TO CANDIDATES :

1. **SECTIONS-A, B, C & D contains TWO questions each carrying TEN marks each and students has to attempt any ONE question from each SECTION.**
2. **SECTION-E is COMPULSORY consisting of TEN questions carrying TWENTY marks in all.**
3. Use of non-programmable **scientific calculator** is allowed.

SECTION-A

1. Differentiate between accounting concepts and convections. Briefly explain the Fundamental Accounting Concepts which form the backbone of financial accounting.

2. a) Give the correct journal entries for the following :

   i) Cost of repairing one machine, *i.e.*, Rs. 100 00 has been charged to machinery account.

   ii) Rs. 5000 paid to S. Roy in settlement of his account has been posted to the debit of purchase account.

   iii) Goods sold on credit of Rs. 2000 to B. Bose has been posted to the debit of general charges account.

   iv) Rs. 2500 received from B.K. Ghose has been credited to account of K.B. Ghose.

   v) Wages account includes Rs. 15000 being wages paid to workmen engaged in construction work of firms new buildings.

   b) Give the Proforma Balance Sheet of a joint stock company.

SECTION-B

3. What is the goal of finance function? Briefly discuss the different financial decision areas.

4. Write comprehensive notes on the followings :

   a) Solvency ratios

   b) Liquidity ratios

   c) Wealth maximization as goal of finance function.

SECTION-C

5. a) The following data is given :

   Fixed cost = Rs. 12500 (Total)

   Selling Price = Rs. 12 per unit

   Variable cost = Rs. 9 per unit

   What will be the profit when sales are

   i) Rs. 70,000

   ii) Rs. 90,000

   b) What is C-V-P analysis? Draw a breakeven chart with the help of imaginary figures.

6. Distinguish between fixed and flexible budget. Briefly explain the circumstances in which flexible budget is prepared. Also discuss limitations of a budgetary control system.

SECTION-D

7. What are the specific aspects of auditing in a computer-based environment? Explain.

8. What is computerized accounting system? Explain its advantages over manual accounting system.

SECTION-E

9. **Write short notes on the followings :**

   a) Accounting equation

   b) Errors not detected by Trial Balance

   c) Debt-equity ratio *vs.* proprietary ratio

   d) Funds from operations

   e) Cash budget

   f) Cash flow from financing activities

   g) Direct material usage variance and price variance

   h) Master budget *vs.* Summary budget

   i) Uses P/V graph

   j) Audit implications of e-commerce