Roll No. | | | | | | | | | | | | |

Total No. of Questions: 09 **Total No. of Pages: 02**

MCA (Sem. 1)
ACCOUNTING AND FINANCIAL MANAGEMENT
Subject Code: MBA-104
Paper ID: 72710

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

INSTRUCTIONS TO CANDIDATES:

1. **Question paper is divided into FIVE Sections- A, B, C, D & E SECTION.**
2. **Attempt FOUR questions. At least ONE question from each SECTION A, B, C & D. Each question carries TEN marks.**
3. **Section E is COMPULSORY consisting of TEN questions carrying TWO marks each.**

SECTION A

1. Write comprehensive notes on:

(a) Explain the errors which affect the agreement of trial balance.

(b) What is accounting equation? Explain with suitable examples.

2. Prepare a trading account and balance sheet from the following particulars:

Stock velocity	6
Gross profit margin	20%
Capital turnover ratio	4
Debt collection period	3 months
Creditors payment period	2 months
Gross profit	Rs.50,00000
Excess of closing stock over opening stock	Rs. 500000

Assume sales and purchases are on credit basis.

SECTION B

3. What is the key question in assessing liquidity of a firm? What ratios are used in this regard? Also explain limitations of financial ratios.

4. What is the purpose of preparation of a Cash Flow Statement? Discuss the Performa Cash Flow Statement under AS-3(revised).

SECTION C

5. What is PN ratio? Explain its uses. Also explain the ways by which P/V ratio can be improved. Illustrate.

6. The expenses budgeted for productions of 10000 units in a factory are furnished below:

Particulars	Rs. Per unit
Direct Materials	70
Direct Labour	25
Variable overheads	20
Fixed overheads(Rs. 100000)	10
Variable expenses (direct)	05
Selling expenses (10% fixed)	13
Distribution expenses (20% fixed)	07
Admin . Expenses (Rs. 50000)	05
Total	**155**

Prepare a budget for the production of a) 8500 units and b) 7000 units. Assume the administration expenses are same for all level of production.

SECTION D

7. Computerized accounting systems are software-programs that are stored on a firm' s computer , network server, or remotely accessed via the Internet. Elucidate.

8. Explain how an audit is conducted in a computer environment. Also Identify the phases of auditing a computerized accounting system.

SECTION E

9. Write short notes on the followings:

a) Accrual concept
b) Closing entries
c) Subsidiary books
d) PIE Ratio
e) Distinguish between Budget and a Standard
f) Margin of Safety and Angle of incidence
g) Significance of current ratio
h) Zero base budgeting
i) Uses of fund flow analysis
j) Computer-aided auditing