

2014

(First Semester)

MASTER OF COMPUTER APPLICATIONS

Paper No: MCA 103

(Financial Accounting & Management)

Full Marks : 60

Time : 3 hours

The figures in the margin indicate full marks for the questions

Answer Question No 1 and **any four** from the rest

1. **Answer the following questions:**

- a) Write down the golden rules of Debit and Credit?
- b) What is trial balance? Explain its objectives.
- c) Distinguish between double entry and single entry system.
- d) Explain the significance of overall profitability ratio?
- e) What are the limitations of Cost-Volume-Profit Analysis?
- f) Define the terms Cost Accounting.

2X6=12

2. Define Accounting. State its functions. How does it differ from book-keeping? **(12)**

3. Journalize the following transactions ,post them in the ledger and prepare a trial balance on 31st January. (12)

- i. Ram started business with a capital of Rs 10,000.
- ii. He purchased goods from Mohan on credit Rs 2000.
- iii. He paid cash to Mohan Rs 1000.
- iv. He sold goods to Suresh Rs 2000.
- v. He received cash from Suresh Rs 3000.
- vi. He further purchased goods from Mohan Rs 2000.
- vii. He paid cash to Mohan Rs 1000.
- viii. He further sold goods to Suresh Rs 2000
- ix. He received cash from Suresh Rs 1000

4. From the following trial balance prepare the manufacturing account, trading and profit and loss account for the year ending 31st March 2008 and the balance sheet as on that date : (12)

Particulars	Debit(Rs)	Particulars	Credit(Rs)
Shri Banker's Capital Account	41000	Mrs Bankers Loan Account	4000
Shri Banker's Drawing Account	6100	Sundry Creditors	45000
Cash in Hand	250	Sales(less returns)	123400
Cash at Bank	4000	Discount Received	2100
Sundry Debtors	40500		
Patents	2000		

Plant and Machinery	20000		
Land and Buildings	26000		
Purchase of Raw materials	35000		
Opening stock	23500		
Carriage Inwards	1100		
Wages	27000		
Salary of Works Manager	5600		
Factory Expenses	3400		
Factory Rent and Taxes	2500		
Royalties(paid on sales)	1200		
Advertising	3000		
Office rent and insurance	4800		
Printing & Stationery	1000		
Office Expenses	5800		
Carriage Outwards	600		
Discount allowed	1400		
Bad Debts	750		
	2,15,500		2,15,500

The stock on 31st March 2008 was Rs 36,500

5. Define Management Accounting and state the objectives of Management Accounting. Explain how does it differ from financial accounting. (6+6=12)
6. What is Ratio Analysis ? Discuss various types of ratio and advantages & disadvantages of ratio Analysis. (2+6+4=12)
7. Discuss the advantages and disadvantages of Ratio Analysis used for Financial statement analysis. (6+6 = 12)
8. What is budget and budgetary control and how it is exercised? Discuss various objective and essential requirements for the success of budgetary control. (12)

*****IMCA/103*****