

SREE VIDYANIKETHAN ENGINEERING COLLEGE

(An Autonomous Institution, Affiliated to JNTUA, Anantapur)

M.C.A. I Semester (SVEC16) Regular/Supplementary Examinations January - 2018**ACCOUNTING AND FINANCIAL MANAGEMENT****[MASTER OF COMPUTER APPLICATIONS]**

Time: 3 hours

Max. Marks: 60

Answer One Question from each Unit**All questions carry equal marks****UNIT-I**

1. Write Journal entries for the following transactions in the books of Mr. Rao. 12 Marks

Jan. 1 Mr. Rao commenced a business with Rs. 1, 68,000

Jan. 4 Bought goods from Dayanand Rs. 46, 800.

Jan. 9 Cash withdrawn from bank for personal use Rs. 1, 400

Jan. 10 Sold old furniture for Rs. 16,600

Jan. 18 Sold goods to charishma Rs. 68, 200.

Jan. 21 Commission paid to Harshika Rs. 3, 860

Jan. 24 Cash deposited into Bank Rs. 24,100

Jan. 31 Salaries paid through cheque Rs. 26,700

(OR)

2. Who are the users of accounting information? Why do they need the information? 12 Marks

UNIT-II

3. State and explain the importance and limitations of financial statements (final accounts). 12 Marks

(OR)

4. From the following details of Mrs. Roshan & Co., you are required to prepare Trading, Profit and Loss Account and the Balance Sheet for the year ended 31st Dec, 2015. 12 Marks

Particulars	Rs.	Particulars	Rs.
Sales	65,000	Discount Allowed	100
Sales Returns	500	Discount Received	500
Stock at the beginning	8,000	Salaries	3,000
Purchases	29,000	Interest paid	400
Purchase Returns	300	Furniture	3,000
Direct Wages	5,000	Buildings	20,000
Direct Expenses	5,000	Plant and machinery	20,000
Carriage inwards	4,000	Cash in Hand	1,000
Capital at the beginning	30,000	Bills payable	6,200
Drawings	5,000	Reserve for Bad and Doubtful Debts	500
Sundry Debtors	10,000	Bad debts	300
Sundry Creditors	12,000	Closing stock at the end	8,000

Additional Information:

1. Prepaid interest Rs. 100

2. Outstanding Salaries Rs. 500

3. Depreciate plant and machinery at 10% p.a. and Building at 5% p.a.

UNIT-III

5. What are the goals of a financial manager? 12 Marks
- (OR)**
6. Define and discuss the importance of financial management in business organizations. 12 Marks

UNIT-IV

7. How Ratio analysis is useful to the organizational development. 12 Marks
- (OR)**
8. Srikanth enterprises deals in the supply of hard ware parts of a computer. The following cost data is available for two successive periods. 12 Marks

Particulars	Year I (Rs.)	Year II (Rs.)
Sales	50000	120000
Fixed costs	10000	20000
Variable costs	30000	60000

Determine: i) BEP and ii) Margin of safety.

UNIT-V

9. Calculate the Net Present Value from the following particulars. The rate of return is 10%. Cost is Rs.50000. 12 Marks

Year	1	2	3	4	5
Cash inflow (Rs.)	15000	22000	25000	35000	40000

(OR)

10. Two proposals costing Rs 100000 and 150000 are under consideration. The company wants to earn at least 6% on its investment. Rate the projects under NPV. 12 Marks

Year/proposal	Proposal 1 (Rs.)	Proposal 2 (Rs.)
1	80000	110000
2	95000	145000
3	105000	122000
4	135000	82000
5	98000	165000

