

(Following Paper ID and Roll No. to be filled in your Answer Books)

Paper ID : 2289911

Roll No.

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MCA

Regular Theory Examination (Odd Sem-I), 2016-17

ACCOUNTING & FINANCIAL MANAGEMENT

Time : 3 Hours

Max. Marks : 70

SECTION - A

1. Answer all parts. All parts carry equal marks. Write answer of each part in short. (5×2=10)
- Define Ratio Analysis.
 - Define the term Accounting
 - What is meant by Current Liabilities?
 - What is Inventory valuation?
 - Define Productive wages.

SECTION - B

Attempt any five questions from this section.

(5×8=40)

2. What is meant by accounting process and explain the various steps of accounting process.

3. Differentiate Book Keeping and Accounting. Discuss double entry system and explain its merit.
4. What is the need of Accounting Concepts and Conventions? Discuss various Accounting Concepts.
5. What is cash flow statement? What are the advantages of cash flow statement?
6. Prepare Accounting Equation from the following transactions:
 - a) Mr. Suresh commenced business with cash Rs. 1,00,000.
 - b) Good Purchased from Ramesh for Rs. 15,000 on credit.
 - c) Good sold to Satish for Rs. 10,000 on credit.
 - d) Interest paid Rs. 5,000.
7. A company purchases a machine on 1st April, 2010 for Rs. 80000. On 1st October 2011, the company purchased another machine for Rs. 60000. On 1st April, 2012 the company sold the machine purchased on 1st April, 2010 for Rs. 35000. Depreciation is charged @ 20% per year on original cost. Books of accounts are closed on 31st March every year. Prepare a Machine A/C in the books of the company till 2013.

8. What is a trial balance? What are the various errors that are disclosed by trial balance?
9. Gaurav and Saurabh started a business on 1st Jan, 2016; with capital of Rs. 120000 and Rs. 80000, respectively. According to the partnership deed, Saurabh is entitled to a salary of Rs. 2000 per month and interest is to be allowed on capitals of both at the rate of 6% per annum. The remaining profits are to be distributed amongst the partners in the ratio of 5:3. During the year 2016, the firm earned a profit before charging salary to Saurabh and interest on capital amounting to Rs. 100000. During the year Gaurav withdrew Rs. 16000 and Saurabh withdrew Rs. 20000 for domestic purpose.

You are required to prepare profit and loss appropriation A/c of the firm showing the distribution of profits between Gaurav and Saurabh.

SECTION - C

Attempt any two questions from this section.

(2×10=20)

10. Following transactions took place in the business of Mr. Raj, during the month of April, 2016.

Journalize these transactions and prepare cash account and bank account in the ledger book of Mr. Raj.

Date	Transaction	Rs.
April 1	Business started	50000
April 2	Goods purchased for cash	6000
April 3	Goods purchased from Ashok	5000
April 8	Deposited in Bank	15000
April 10	Goods sold to Anil	7500
April 12	Cash withdrawn for personal use	2000
April 15	Goods withdrawn for personal use	1000
April 20	Goods sold at 5% trade discount & 4% cash discount	8000
April 25	Paid to Ashok by cheque	4800
	Discount received from him	200
April 30	Salaries paid by cheque	5000

11. What is meant by RATIO ANALYSIS? Discuss its uses and limitations?
12. Prepare a Trading & profit & loss A/C and also a Balance sheet from the following information:

TRIAL BALANCE as on 31st March, 2016

Particulars (Dr)	Amount	Particulars	Amount
	(Rs.)	(Cr.)	(Rs.)
Opening stock	30000	Capital	160000
Purchases	164000	Creditors	20000
Returns Inwards	4000	Sales	240000
Freight & Duty	4000	Returns outwards	2000
Carriage outward	1000	Discount	800
Rent and Rates	9200	commission	1600
printing & stationery	1600	Miscellan - ous incomes	2400
Trade Expenses	800		

Postage & Telegram	1600	
Insurance premium	1400	
Salaries & Wages	42600	
Cash in Hand	12400	
Cash at bank	41000	
Plant and Machinery	52000	
Sundry Debtors	41200	
Furniture & Fixtures	20000	
	426800	426800

Adjustments:-

- i) Closing stock is valued at Rs. 36000
- ii) Provide for Bad Debts at 5%
- iii) Outstanding Rent & Rates Rs. 2800
- iv) Provide 10% Depreciation on Plant and Machinery and 10% Furniture & Fixture.

