

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

PAPER ID : 7302

Roll No.

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MCA.

(SEM. I) ODD SEMESTER THEORY
EXAMINATION 2012–13

ACCOUNTING AND FINANCIAL MANAGEMENT

Time : 3 Hours

Total Marks : 100

Note :- Attempt **all** questions.

SECTION—A

1. Attempt **all** questions of this Section. Explain the following with examples : **(10×2=20)**

- (a) Outstanding expenses
- (b) Creditors
- (c) Debts
- (d) Business Transactions
- (e) Goodwill
- (f) Inventory
- (g) Shares
- (h) Working Capital
- (i) Gross Profit Ratio
- (j) Depreciation.

SECTION—B

2. Attempt any **three** parts of the following : (10×3=30)
- (a) Define the term 'accounting'. Why do the users need accounting information ?
 - (b) Explain the utilities of a ledger and also define :
 - (i) Posting of Ledger
 - (ii) Balancing of Ledger.
 - (c) Write short notes on :
 - (i) Separate Entity Concept
 - (ii) Cost Concepts.
 - (d) What does Liquidity Ratio indicate ? The liquidity ratio of a company is 1 : 1. What do you understand by this ratio ? Discuss.
 - (e) What is cash flow statement ? Discuss the advantages and limitations of cash flow statement.

SECTION—C

3. Attempt any **one** of the following : (10×1=10)
- (a) How accounting is different from book-keeping ? Discuss Indian Accounting standards also.
 - (b) Differentiate between :
 - (i) Double entry system and single entry system
 - (ii) P/L account and balance sheet.
4. Attempt any **one** of the following : (10×1=10)
- (a) Write short note on prepaid expenses and outstanding expenses.

- (b) What do you understand by manufacturing account ? Explain the differences between manufacturing account and trading account.

5. Attempt any **one** part of the following : (10×1=10)
- (a) Prepare a trading account from the following information :
 - Opening stock Rs. 2,000
 - Purchase Rs. 45,000
 - Sale Rs. 50,000
 - Return inward Rs. 2,000
 - Return outward Rs. 3,000
 - Wages Rs. 8,000
 - Salary Rs. 10,000
 - Advertisement Rs. 1,500
 - Stationery Rs. 1,200
 - Petty cash Rs. 150,
 - and Closing stock Rs. 12,000.
 - (b) Explain the following terms with examples :
 - (i) Trademark
 - (ii) Copyright
 - (iii) Patents
 - (iv) Investments
6. Attempt any **one** part of the following : (10×1=10)
- (a) A firm's stock turnover is 5 times, stock at the end is Rs. 10,000 more than that at the beginning. Sales (all credit)

are Rs. 4,00,000. Rate of gross profit on cost is 25%. Current liabilities are Rs. 1,20,000 and acid test ratio is 0.75. Calculate Current Assets.

(b) What are the leverage or capital structure ratios ? Discuss.

7. Attempt any **one** part of the following : (10×1=10)

(a) Distinguish between fund flow statement and Income statement.

(b) (i) Is depreciation a source of funds ? Discuss.

(ii) Explain the limitations of fund flow statement.