

Code: 9FHS103

MCA - I Semester Supplementary Examinations, August/September 2012

ACCOUNTING & FINANCIAL MANAGEMENT

(For students admitted in 2009, 2010 & 2011 only)

Time: 3 hours

Max Marks: 60

Answer any FIVE questions

All questions carry equal marks

- 1 Define "Accounting". Explain the scope and importance of accounting.
- 2 Explain the purpose of preparing profit and loss account and furnish the format.
- 3 Briefly write the following:
 - (a) Objectives of "Time value of money".
 - (b) Goals of financial management.
- 4 What do you understand by the cost of capital? Discuss its significance in capital budgeting decision.
- 5 Calculate the following ratios from the financial statement of 'Raj' company.
 - (a) Current ratio.
 - (b) Stock turnover ratio.
 - (c) Liquid ratio.
 - (d) Creditor's turnover ratio.

	Rs.		Rs.
Opening stock	47,000	Debitors	42,000
Closing stock	53,000	Cash	10,000
Sales	2,50,000	Bank	8,000
Provision for doubtful debts	2,000	Bills receivable	15,000
Creditors	32,000	Provision for tax	15,000
Loose tools	4,000	Bills payable	29,000
Purchases	1,80,000	Marketable securities	8,000

- 6 What are the steps to be followed for preparing the statement of sources and applications of fund?
- 7 Define Break-even analysis. How do you determine the break-even point? Explain with suitable graphs.
- 8 Write the following:
 - (a) Objectives of capital budgeting.
 - (b) Determinants of working capital.
