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(AUTONOMOUS)

MCA DEGREE EXAMINATION MAY 2018

(Second Semester)

Branch - COMPUTER APPLICATIONS

FINANCIAL AND MANAGEMENT ACCOUNTING

Time: Three Hours   Maximum: 75 Marks

SECTION -A (30 Marks!

Answer **ALL** questions

ALL questions carry **EQUAL** Marks (5 x 6 = 30)

1 a What are the objectives of accounting?

OR

b What is going concern concept?

2 a What are the objectives of a Trial balance?

OR

b The following balances are extracted from the books of Ramdass on 31st December 2015. Prepare a Trial Balance.

Capital - Rs. 19,000; Plant and Machinery - Rs. 12,000; Purchases - Rs. 8,000; Sales - Rs. 24,000; Sundry creditors - Rs. 8,000; Outstanding Rent - Rs. 1,000; Opening stock - Rs. 2,000; Sales returns - Rs. 4,000; Investments - Rs. 14,000; Sundry Debtors - Rs. 12,000

3 a The following are the balances extracted from the Ledger of Mr. Sundaram as on 31st December 2014. Prepare a Trading Account.

Stock 1-1-2014 - Rs. 12,500; Sales - Rs. 1,25,000; Return Inwards - Rs. 5,000; Wages - Rs. 7,500; Carriage inwards - Rs. 3,000; Purchases - Rs. 78,000; Return outwards - Rs. 3,000; Salaries - Rs. 4,400; Rent - Rs. 2,750; Carriage outwards - Rs. 750; Closing stock as on 31-12-2014 was valued atRs. 14,000.

OR

b Prepare profit and loss account, from the following balances of Mr. Kandan for the year ending 31-12-2014.

Office rent - Rs. 30,000; Printing expenses - Rs. 2,000; Tax and Insurance - Rs. 4,000; Advertisement - Rs. 36,000; Gross Profit - Rs. 2,50,000; Salaries - Rs. 80,000; Stationeries - Rs. 3,000; Discount allowed - Rs. 6,000; Travelling expenses - Rs. 26,000; Discount received-Rs. 4,000.

4 a What are the advantages of Management Accounting?

OR

b Calculate current ratio from the following :

Sundry debtors - Rs. 1,00,000; Bills receivable - Rs. 80,000; Stock - Rs. 50,000; Sundry creditors - Rs. 80,000; Bills payable - Rs. 40,000; Outstanding Salaries - Rs. 20,000 Prepaid Expenses - Rs. 2,000; Marketable securities - Rs. 20,000; Bank overdraft - Rs. 30,000; Cash in hand and at bank - Rs. 1,00,000

From the following information find out the amount of profit earned during the year using the marginal costing technique :

Fixed cost	Rs. 2,50,000
Variable cost	Rs. 10 per unit
Selling price	Rs. 15 per unit
output level	75,000 units

OR

Sales - Rs. 1,00,000; Profit - Rs. 10,000; Variable cost - 70%

Find out : (i) P/V ratio ; (ii) Fixed cost

SECTION **-B** (45 Marks)

Answer any THREE questions

ALL questions carry EQUAL Marks (3 x 1 5 = 45)

6 Explain briefly the concepts of accounting.

7 Joumlise the following transaction :

2014		Rs.
Jan 1	Vijay started business with the capital of	20,000
Jan 4	Bought goods from Suriya	13,500
Jan 7	Cash Purchase	6,000
Jan 10	Cash sales	8,000
Jan 13	Bought goods from Suriya	4,000
Jan 16	Sold goods to Ajith	10,000
Jan 18	Paid Cash to Suriya	5,700
Jan 19	Sold goods to Ajith	1,000
Jan 24	Paid Suriya on account	4,800
Jan 26	Received cash from Ajith	3,300
Jan 27	Paid Salaries	2,500
Jan 30	Received cash from Ajith	400

8 From the following Trial balance as on 31-12-2014, prepare Profit and Loss account and Balance sheet :

Capital - Rs. 1,00,000; Drawings - Rs. 18,000; Buildings - Rs. 15,000; Furniture - Rs. 7,500; Motor van - Rs. 25,000; Loan from Mr. Hendry - Rs. 15,000; Interest paid - Rs. 900; Sales - Rs. 1,00,000; Purchases - Rs. 75,000; Opening stock - Rs. 25,000; General Expenses - Rs. 15,000; Wages - Rs. 2,000; Insurance - Rs. 1,000; Commission received - Rs. 7,500; Sundry Debtors - Rs. 28,100; Cash at Bank - Rs. 20,000; Sundry Creditors-Rs. 10,000.

Adjustment: Value of closing stock as on 31-12-2014 - Rs. 32,000

9 The following information of a company is given :

Current ratio - 2 .5 : 1; Acid-test ratio -1.5 : 1; Current liabilities - Rs. 50,000

Find out : (i) Current Assets (ii) Liquid Assets (iii) Inventory

10 The expenses budgeted for production of 10,000 units in a factory are furnished below :

	Per unit Rs.
Materials	70
Labour	25
Variable Factory overheads	20
Fixed factory overheads (Rs. 1,00,000)	10
Variable Expenses (Direct)	5
Selling Expenses (10% fixed)	13
Distribution Expenses (20% fixed)	7
Administrations Expenses (Fixed - Rs. 50,000)	5
Total cost f sales per unit	155

You are required to prepare a budget for the production of 6,000 units and 8,000 units.

Z-Z-Z **END**