

Code: 9FHS103

MCA I Semester Supplementary Examinations, October/November 2013

ACCOUNTING AND FINANCIAL MANAGEMENT

Time: 3 hours

Max Marks: 60

Answer any FIVE questions
All questions carry equal marks

- 1 What is meant by double entry system? Explain its advantages and limitations.
- 2 How do you classify accounts? What is ledger? What is meant by sub-division of ledger?
- 3 What is weighted average cost of capital? What is its logic?
- 4 The particulars of incomes and expenses of a company are given here under, for the year ended 31st march 2005.

Particulars	Rs	Particulars	Rs
Opening stock	76,250	Sales	5,00,000
Purchases	3,15,250	Closing stock	98,500
Manufacturing expenses	7,000	Income from	6,000
Administrative expenses	1,00,000	Investments	-
Selling and distribution expenses	12,000		
Loss by fire	13,000		

From the above information you are required to calculate:

- (i) Operating ratio.
 - (ii) Opening profit ratio.
 - (iii) Stock turnover ratio.
 - (iv) G.P ratio.
 - (v) Net profit ratio
- 5 Explain goals of financial management.
 - 6 Explain:
 - (a) Fund flow.
 - (b) Cash flow.
 - 7 Explain the utility of break-even analysis in managerial decisions.
 - 8 Define a capital budgeting decision.
