

**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

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- 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 31<sup>st</sup> 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.

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