

Reg. No. :

Code No.: 8060

Sub. Code: ZCAM 21

M.C.A (CBCS) DEGREE EXAMINATION,
NOVEMBER 2023

Second Semester

Computer Application – Core

FINANCIAL AND MANAGEMENT ACCOUNTING

(For those who joined in July 2021–2022 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

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1. Transferring entries from Journal to Ledger account is commonly known as
 - (a) Recording
 - (b) Transferring
 - (c) Posting
 - (d) Entry making

2. Which of the following is known as the base for preparing trial balance?
 - (a) Journal
 - (b) Cash Account
 - (c) Ledger Account
 - (d) Balance Sheet

3. Real Accounts records
- (a) Dealing with Creditors or debtors
 - (b) Dealings in Commodities
 - (c) Gains and losses
 - (d) All the above
4. The long term assets that have no physical existence but are rights that have value is known as
- (a) Current Assets
 - (b) Fixed Assets
 - (c) Intangible Assets
 - (d) Investments
5. Which of the following is the normal balance of a rent expense Account?
- (a) Credit balance
 - (b) Cash balance
 - (c) Over draft
 - (d) Debit balance
6. The ratios that refer to the ability of the Firm to meet the Short term obligations out of its short term resources
- (a) Liquidity Ratio
 - (b) Leverage Ratio
 - (c) Activity Ratio
 - (d) Profitability Ratio

7. Break even changes chart is drawn between
- (a) Overhead cost and fixed cost
 - (b) Volume of Production and Income
 - (c) Material cost and labour cost
 - (d) None of these
8. The difference between actual Sales and Breakeven Point is known as
- (a) Margin of Safety
 - (b) Price Cost Margins
 - (c) Contribution
 - (d) Profit
9. A Master Budget consists of
- (a) Sales Budget
 - (b) Production Budget
 - (c) Material Budget
 - (d) All of the above
10. Budgetary control helps in implementation of
- (a) Standard costing
 - (b) Marginal costing
 - (c) Ratio Analysis
 - (d) Technical Analysis

PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).
Each answer should not exceed 250 words.

11. (a) Explain the Rules of Accounting.

Or

- (b) Journalise the following Transactions in Balan's Book.

1985	Jan	Balan Started business by Investing
	1	Cash Rs. 50,000
	2	Purchased building for Rs. 10,000
	3	Purchased goods for cash Rs. 3,000
	4	Paid Carriage Rs.20
	5	Purchased goods on credit from Mr. Ram Rs. 2,500

12. (a) Discuss the objectives of Trial Balance.

Or

- (b) From the Information given below prepare Trading Account.

	Rs.
Opening Stock	1,00,000
Purchases	1,50,000
Purchase Returns	25,000

Direct Expenses	10,000
Carriage inwards	5,000
Sales	4,00,000
Closing Stock	50,000

13. (a) Bring out the limitations of Ratio Analyses.

Or

- (b) Ascertain the changes in working capital from the following

Increase in Cash Rs. 1,700

Increase in Stock Rs. 1,600

Decrease in Debtors Rs. 500

Decrease in Creditors Rs. 2,500

14. (a) Discuss the Scope of Marginal Costing.

Or

- (b) Calculate P/V Ratio, BEP and Margin of Safety.

	Rs.
Sales	2,00,000
Variable Costs	1,20,000
Fixed Cost	50,000
Net Profit	30,000

15. (a) Enumerate the benefits of Standard Costing.

Or

(b) Prepare the Sales Budget

Sales	January	February	March
	50,000	40,000	60,000

Selling Price per events Rs. 100

Target of First Quarter 2004 :

Sales Units increased by 20%

Selling Price increase by 10%

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b)
Each answer should not exceed 600 words.

16. (a) Explain the Basic Accounting Concepts.

Or

(b) Enter the following transaction in the Purchase book and Sales book of Thiru Palanivelu.

			Rs.
2015	Jan 1	Bought Goods from Babu	10,000
	2	Sold goods to Somu	5,000
	3	Purchased goods from Gopal	4,500

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10	Sold goods to Thomas	3,500
11	Sold goods to Jayapal	250
20	Purchased goods from Ramesh	3,000
30	Sold goods to Suresh	300

17. (a) Discuss the Methods for preparing Trial Balance

Or

(b) From the following details given by Mr. Kannan Prepare Trading and Profit and Loss Account Balance Sheet as on that date

Particulars	Rs.
Land	4,000
Wages	3,500
Purchases Returns	1,500
Bills Receivables	1,500
Creditors	1,000
Opening Stock	4,000
Interest paid	1,300
Commission Received	5,000
Sales	22,000

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Drawings	500
Machinery	6,600
Cash	230
Bills payable	700
Rent paid	1,270
Sales Returns	1,000
Purchases	13,000
Debtors	8,000
Capital	15,000
Furniture	300

18. (a) What is Ratio Analysis? What are its steps.

Or

(b) From the following Prepare Fund Flow Statement.

Liabilities	1991	1992	Assets	1991	1992
Share Capital	2,00,000	2,50,000	Land	50,000	66,000
Retained earnings	10,000	23,000	Stock	80,000	90,000
Creditors	70,000	45,000	Debtors	1,20,000	1,15,000
			Cash	30,000	47,000
	<u>2,80,000</u>	<u>3,18,000</u>		<u>2,80,000</u>	<u>3,18,000</u>

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19. (a) Explain the various methods of Cost classification.

Or

(b) The Sales turnover and Profit during the year were as following.

Year	Sales	Profit
2007	1,40,000	15,000
2008	1,60,000	20,000

Calculate :

(i) P/V Ratio

(ii) Break even point

(iii) Sales required to earn a Profit of Rs. 40,000

(iv) Fixed Expenses and

(v) Profit when Sales are Rs. 1,20,000

20. (a) Explain the Advantages and disadvantages of Budgetary Control.

Or

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(b) Calculate material cost variance from the following data.

	Standard	Actual
Quantity	400	460
Price	Rs. 2 per kg	Rs. 1.5 per kg
Value	Rs. 800	Rs. 690
