

Vinayaka Mission University
COURSE CODE - 2040104
PG DEGREE EXAMINATION – FEB 2012
MCOM (AFM) / MMM
FINANCIAL AND MANAGEMENT ACCOUNTING
(For Candidate Admitted from Calendar 2007 onwards)

Time: 3 Hrs.

Max. Marks: 75

PART – A

Answer All the Questions:

10 x 2 = 20

1. Define Accounting.
2. What is Ledger?
3. Define balance Sheet.
4. Define Budget.
5. Define Ratio Analysis.
6. What is Capital Budgeting?
7. Define Statement.
8. What are the types of accounting?
9. Define External Analysis.
10. Define Liquidity Ratios.

PART – B

Answer All the Questions:

5 x 5 = 25

11. (a) Write about the financial and Management Accounting?
OR
(b) Describe the tools of analysis.
12. (a) What are the common forms of financial statements usually submitted in?
OR
(b) Give the format of Trading and Profit and Loss Account?
13. (a) Prepare the Trial balance with the following Information.
 - (a) Capital Rs. 50,000
 - (b) Building Rs. 10,000
 - (c) Bills Receivable Rs. 5,000
 - (d) Wages Paid Rs. 3,000
 - (e) Bills payable Rs. 4,000
 - (f) Bank OD Rs. 6,000
 - (g) Cash Balance Rs. 15,000
 - (h) Machinery Rs. 25,000
 - (i) Salary Paid Rs. 9000

OR

- (b) Explain the financial statement analysis.

14. (a) Journalise the following transactions in the books of Ram Naresh.

1996	Oct 1	Purchased goods from Ajay Kumar Rs. 4,500.
	Oct 3	Sold goods for Cash Rs. 1,500.
	Oct 10	Deposited in Bank Rs. 28,000.
	Oct 13	Sold goods on credit to Mukesh Rs. 1,700.
	Oct 14	paid for Postage Rs. 100.
	Oct 17	Paid telephone charges Rs. 250.
	Oct 25	Cash Purchase Rs. 16,500.

OR

(b) Explain the Various methods of Single Entry System.

15. (a) Following are the extracts from the Balance Sheet of a company as on 31st December, 1987 and 31st December, 1988 you are required to calculate funds from operation.

	1987	1988
Profit and Loss Appropriation Account	30,000	40,000
General Reserve	20,000	25,000
Goodwill	10,000	5,000
Preliminary Expenses	6,000	4,000
Provision for Depreciation on Machinery	10,000	12,000

OR

(b) Distinguish between Fund Flow and Cash Flow Statement.

PART – C

Answer All the Questions:

2 x 15 = 30

16. Give the historical function for Accounting?

17. Give the Journal Entries rectify the following errors:

- AB/R for Rs. 1,000 received from Meenakshi was dishonours have been posted to the debit of sales return account.
- A sum of Rs. 400 owed by Kamal has been included in the list of Sundry Creditors.
- An item of Rs. 100 written off as bad debts from Deepu has not been debited to Bad Debts A/c.
- Wages paid for the construction of fixtures were debited to Wages A/c Rs. 8,000.
- Rs. 5,000 paid to Gopal & Co. for the purchase of furniture last month were debited to Furniture A/c.
- The purchase of Rs. 250 from Dhiraj was entered in the Sales Book.

18. Describe the salient features of the accounting standard on revenue resignation issued by the institute of chartered accountants of India.

19. From the following information, prepare a Balance Sheet. Show the Working.

1	Working Capital	Rs. 75,000
2	Reserves and Surplus	Rs. 1,00,000
3	Bank Overdraft	Rs. 60,000
4	Current Ratio	1.75
5	Liquid Ratio	1.15
6	Fixed Assets to Proprietor's Funds	0.75
7	Long-term Liabilities	--

20. Describe the methods of DCF?