

R20

Code No: 871AE

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD**MCA I Semester Examinations, July/August - 2021****ACCOUNTING AND FINANCIAL MANAGEMENT****Time: 3 Hours****Max.Marks:75**

Answer any five questions
All questions carry equal marks

- 1.a) Explain Accounting cycle.
b) How accounts are classified? Discuss. [7+8]
- 2.a) On the 1st January 2020 the following were the ledger balances of Rajan & Co. Cash in hand Rs.9000, cash at bank Rs.210,000; Soni (Cr) Rs.30,000, Zahir (Dr.) Rs.24,000, stock Rs.120,000; Prasad (Cr.)Rs.60,000, Sharma (Dr.) Rs.45,000; Lall (Cr.) Rs.27,000: Ascertain Capital.
- b) Transactions during the month were [8+7]
- | | Rs. |
|--|--------|
| Jan. 2 Bought goods of Prasad | 27,000 |
| Jan.3 Sold to Sharma | 30,000 |
| Jan. 5 Bought goods of Lall for cash, paid by cheque | 36,000 |
| Jan. 7 Took goods for personal use | 2,000 |
| Jan. 13 Received from Zahir in full settlement | 23,500 |
| Jan. 17 Paid in Soni in full settlement | 29,200 |
| Jan. 22 Paid cash for stationery | 500 |
| Jan. 29 Paid to Prasad by cheque | 26,500 |
| Discount allowed by him | 500 |
| Jan. 30 Provided interest on capital | 1000 |
| Rent due to landlord | 2000 |
- Journalize the above transactions and post to the ledger and prepare a Trial Balance.

3. From the following particulars prepare the Balance sheet of Shri Rohan Rao & co. Ltd. [15]
- | | |
|-----------------------------------|-------------|
| Current ratio | 2 |
| Working capital | Rs.4,00,000 |
| Capital Block to current assets | 3:2 |
| Fixed assets to turnover | 1:3 |
| Sales Cash/credit | 1:2 |
| Stock velocity | 2 months |
| Creditors Velocity | 2 months |
| Debtors velocity | 3 months |
| Capital Block: | |
| Net profit 10% of turnover | |
| Reserve 2.5% of turnover | |
| Debentures/share capital | 1:2 |
| Gross Profit ratio 25% (to sales) | |
4. Compare and contrast funds flow and cash flow analysis. [15]
5. A company having annual sales of Rs.10 crores is earning 12 % profit before charging interest and depreciation. Interest and depreciation amount to Rs.60 lakhs and Rs. 100 respectively. If the contribution / sales ratio of the company is 0.4, calculate its break-even sales. [15]
- 6.a) Explain the applications of Marginal costing.
 b) Discuss the managerial implications of BEP analysis. [8+7]
- 7.a) What is cash Budget?
 b) Explain about production cost budget. [7+8]
8. Explain the various documents used for data collection. [15]

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