

MCA (Revised)
Term-End Examination,
December 2019

**MCS-035 : ACCOUNTANCY AND FINANCIAL
MANAGEMENT**

Time : 3 Hours

Maximum Marks : 100
(Weightage : 75%)

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- Note : (i) Question No. 1 is compulsory and carries 40 marks.*
(ii) Attempt any three questions from the remaining questions.
(iii) Each question carries 20 marks.
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1. a) Enter the following transactions in the Journal of Anil. Post them into ledger and prepare Trial Balance. 25
- June 2017
- | | | |
|----|---|-----------------------|
| 3 | Sold goods to Dev | Rs. 1,00,000 |
| 5 | Received from Dev in full settlement of his account | Rs. 98,000 |
| 6 | Sold goods to Manmohan | Rs. 80,000 |
| 8 | Manmohan returned goods | Rs. 1000 |
| 15 | Received cash from Ram and discount allowed | Rs. 19,500
Rs. 500 |
| 16 | Furniture purchased | Rs. 3,00,000 |
| 20 | Interest received | Rs. 10,000 |
| 25 | Goods purchased from Shyam | Rs. 70,000 |
| 26 | Cash paid to Rohit | Rs. 6,000 |
| 28 | Rent paid | Rs. 13,000 |

(2)

- b) What ratios would you use to measure the profitability of a Business organization? Explain them in brief. 15
2. Why do companies prepare Funds Flow Statement in addition to Income statement and Balance sheet? How does it differ from Balance sheet? 20
3. a) How is Wealth maximization objective better than profit maximization objective? Explain. 10
b) Define Working capital. What are the consequences of excess and inadequate working capital? 10
4. a) How a project is evaluated under the Internal rate of Return method of capital Budgeting? Explain the advantages of this method. 10
b) Explain the utility of Cash Budget as a tool of Cash management. 10
5. a) What is Receivable management? State the factors that influence the size of receivables. 10
b) Explain the principle of Full disclosure. 10

