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MCS-035

M. C. A. (Revised)

Term-End Examination

June, 2019

**MCS-035 : ACCOUNTANCY AND FINANCIAL
MANAGEMENT***Time : 3 Hours**Maximum Marks : 100*

*Note : Question No. 1 is compulsory and carries
40 marks. Attempt any three questions from
the rest and each question carries 20 marks.*

1. (a) Calculate the following ratios from the
details given below : 20

(i) Current Ratio

(ii) Liquid Ratio

(iii) Operating Ratio

(iv) Gross Profit Ratio

(v) Stock Turnover Ratio

Details : Current Assets ₹ 70,000, Sales
₹ 1,40,000, Net Working Capital ₹ 30,000,
Average Stock ₹ 30,000, Cost of Goods Sold
₹ 68,000 and Operating Expenses ₹ 10,000.

- (b) What are the different types of errors ? Describe the errors which are not disclosed by a Trial Balance. 20
2. (a) What is working capital ? Explain various factors influencing working capital. 10
- (b) Briefly explain any *two* techniques used for inventory management. 10
3. (a) What is meant by receivables management ? Briefly discuss the factors influencing the size of receivables. 10
- (b) Briefly explain the merits and demerits of NPV method of capital budgeting. 10
4. (a) Journalise the following transactions : 12

April
2014

₹

7	Started Business with Cash	2,00,000
9	Purchased Furniture	40,000
10	Bought Goods for Cash	60,000
11	Sold Goods to Anil on Credit	1,00,000
17	Paid Rent	7,000
18	Commission Received	5,000

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- (b) Write any *four* liabilities and *four* Assets which are shown in the Balance Sheet. 8
5. (a) What do you understand by Financial Management ? Briefly explain the functions of Financial Management. 10
- (b) Distinguish between 'Funds Flow Statement' and 'Cash Flow Statement'. 10