

MCA-14

Management Accounting

Master of Computer Applications

(MCA-11/16/17)

Fourth Semester, Examination, 2017

Time : 3 Hours

Max. Marks : 80

Note : This paper is of **eighty (80)** marks containing **three (03)** Sections A, B and C. Learners are required to attempt the questions contained in these Sections according to the detailed instructions given therein.

Section-A

(Long Answer Type Questions)

Note : Section 'A' contains four (04) long answer type questions of nineteen (19) marks each. Learners are required to answer *two* (02) questions only.

1. What is Accounting Information ? Describe the parties interested in Accounting Information.
2. Define Ledger. Describe the procedure for posting the entries from the journal to the ledger.
3. The following is the Trial Balance of Shri Ram Kumar on 31st December, 2016 :

Debit Balances	₹
Opening Stock	30,000
Advertising	7,000

Wages	1,500
Factory Rent	1,000
Carriage Inwards	500
Returns Inwards	550
Salaries	3,300
Office Rent	700
Plant	10,000
Purchases	1,35,000
Bills Receivable	1,500
Cash	3,500
Furniture	2,000
Debtors	9,000
General Expenses	800
Drawings	3,000
Insurance	200
	2,09,550

Credit Balances	₹
Capital	40,000
Bad debts reserve	500
Discount	800
Bills payable	4,200
Sales	1,59,100
Returns Outwards	350
Creditors	4,600
	2,09,550

You are required to prepare Trading Account, Profit & Loss Account and Balance Sheet after taking into account the following adjustments :

- (a) Closing stock was valued at ₹ 42,000.
 - (b) Salaries outstanding ₹ 300 and wages outstanding ₹ 500.
 - (c) Unexpired insurance ₹ 50.
 - (d) Depreciate plant by ₹ 10% and furniture 15%.
 - (e) Write-off ₹ 1,000 as bad debts and create reserve for doubtful debts at 5% and for discount on debtor at 2%.
4. Define budgetary control. What are the advantages of budgetary control in an organization ?

Section-B

(Short Answer Type Questions)

Note : Section 'B' contains eight (08) short answer type questions of eight (08) marks each. Learners are required to answer *four* (04) questions only. Answers of these questions must be restricted to two hundred fifty (250) words approximately.

- 1. Is Accounting s Science or an Art ?
- 2. Classification of Accounts.
- 3. Different methods of preparing Trial Balance.
- 4. Objectives of Cost Accounting.
- 5. Fixed Expenses ₹ 4,000.

Break-even Point ₹ 10,000, calculate :

- (i) P/V ratio
- (ii) Profit when sales are ₹ 20,000
- (iii) New Break-even point if selling price is reduced by 20%.

6. Advantages of Computerized Accounting System.
7. Write short notes on the following :
 - (a) Compound Journal Entry
 - (b) Key Factor or Limiting Factor
8. Distinguish between Debtor and Creditor.

Section-C

(Objective Type Questions)

Note : Section 'C' contains ten (10) objective type questions of one (01) mark each. All the questions of this Section are compulsory.

Fill in the blanks with appropriate words or phrases :

1. book is known as total of debit and credit.
2. The short key for company creation is
3. Trading Account is
4. Any irrecoverable portion of sundry debtors is known as
5. types of account are entered in Profit & Loss A/c.
6. costing is used in transport undertaking.
7. Depreciation is expenditure.
8. The break-even point is that at which
9. General profitability ratios are based on
10. Fixed cost per unit decreases when