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# DMI-ST. EUGENE UNIVERSITY

ZAMBIA

DEGREE EXAMINATION – JUNE 2024

Semester: VII 055 MG 71 FINANCIAL ACCOUNTING & MANAGEMENT

Time: 3:00 Hours

Max. Marks: 100

Answer any FIVE Questions (5 x 20 = 100 Marks)

1. a) Explain the importance of basic concepts and assumptions in accounting. (10 Marks)
- b) Elucidate about the debit and credit principle in accounting. (5 Marks)
- c) Explain any two kinds of cashbook with format. (5 Marks)
2. a) Prepare a trial balance of keilas LTD JANUARY 31 using the following Balances.

Particulars	Amount
Cash	3340
Purchases	2,000
Salaries	210
Capital	3,000
Sales	2,500
Interest	50

(6 Marks)

- b) Prepare a trial balance of Serve investments using the following Balances

Particulars	Amounts
Share capital 20,000 shares of K10 each	
Stock on 1 <sup>ST</sup> January 2005	36,000
Sales	58,000
Salaries	5,250
Purchases	44,000
Sundry debtors	23,000
Wages	3,000

Calls in arrears	21,500
Sundry creditors	7,200
Postage & telegrams	470
Advertisement	960
Preliminary Expenses	7,500
Printing & Stationery	640
Land & Building	65,000
General Expenses	2,200
Furniture	1,200
Repairs	650
Bad debts	910
Rent Received	2,700
Machinery	30,000
Cash with bank	24,100
Cash in Hand	1,520 (10 Marks)

- c) Explain in detail about the interested users of information. (4 Marks)
3. a) Explain what you understand by the term Common-size financial statements? (5 Marks)  
b) Elucidate the main objectives of ratio analysis. (5 Marks)  
c) Explicate the analysis of efficiency ratios. (10 Marks)
4. a) Explain the current assets turnover ratio. (10 Marks)  
b) Discuss on ratio analysis. (5 Marks)  
c) Elucidate the four types of financial analysis. (5 Marks)
5. a) Explain the Break-even point in organizations. (5 Marks)  
b) Discuss the financial budget as a budgetary control technique. (10 Marks)  
c) Briefly Explain the significance of a cash budget in detail. (5 Marks)
6. a) Briefly explain the fixed assets turnover ratios. (5 Marks)  
b) Discuss the nature of Financial Analysis. (10 Marks)  
c) Explain the internal and external analysis. (5 Marks)
7. a) Discuss about the flexible budget. (10 Marks)  
b) Explain about the purpose of a production budget. (5 Marks)  
c) Discuss about financing activities in an organization. (5 Marks)