


Name:			
Enrolment No:			
<b>UNIVERSITY OF PETROLEUM AND ENERGY STUDIES</b> <b>Supplementary Examination</b>			
<b>Course: Business Accounting</b> <b>Program: BBA, LL.B.(Hons.)</b> <b>Course Code FINC1001</b>		<b>Semester : 3</b> <b>Time : 03 hrs</b> <b>Max. Marks: 100</b>	
<b>SECTION A</b> <b>1. Each Question will carry 5 Marks</b> <b>(5Qx2M=10Marks)</b>			
S. No.		Marks	CO
Q 1	<b>Statement of questions</b>		
1	Explain using examples: a) Equity b) Revenue c) Creditors d) Profit e) Debtors	2	CO1
2	Define Accounting and Book Keeping	2	CO1
3	___ is a brief explanation to a journal entry, given below the journal entry, within brackets a) Ledger b) Credit c) Narration d) Debit	2	CO1
4	Total Revenue: 60000 Cost of Goods Sold: 20000 Rent Paid: 6000 Electricity: 2000 Advertisement: 1000 Salaries: 10000 Interest received: 1000 Rent Received: 1000 <b>Calculate Net Profit Ratio?</b>	2	CO3

5.	Why is equity share capital a liability? Explain	2	CO1
<b>SECTION B</b> <b>(4Qx5M= 20 Marks)</b>			
Q	Statement of question		
6.	Differentiate between Assets and Liabilities for a business.	5	CO2
7	Trade receivables on Apr. 01 2021- Rs. 4,00,000 and on 31 <sup>st</sup> March 2022 - Rs. 5,00,000 Stock in trade on April 1, 2021, Rs 5,00,000 Stock in trade on Mar. 31 2022, Rs. 6,00,000 Revenue from operations Rs. 3,00,000 gross profit is 25% on cost of Revenue from operations)  Calculate Inventory Turnover Ratio and Trade Receivables Turnover Ratio	5	CO3
8	<b>Enter the following transactions in a Cash Account for January 2023:</b>  01           Cash in hand                                 16,000 05           Cash received from Ram                     4,000  07           Rent Paid   3,000  10           Purchased goods Ramesh for cash         6,000  15           Sold goods for cash                         11,000  18           Purchase Stationery                         450  22           Cash paid to Rahul on account             2500  28           Paid salary                                     1300  30           Paid Rent   1500	5	CO4

9	<p>Prepare a balance sheet of the company</p> <p>“Chocolate Ltd” from the following data. Short term loan of <b>Rs 100,000</b> is payable to a regional bank, which is the current liability along with outstanding salary of staff of <b>Rs 20,000</b>. Cash &amp; Cash equivalent is <b>Rs 50,000</b> and short-term investments are <b>Rs 100,000</b> and rest being miscellaneous current assets. Current ratio is <b>2:1</b>. Capital of <b>Rs 100,000</b> was introduced while starting the business and Furniture of <b>Rs 50,000</b> were purchased. Land &amp; Building was purchased at historical cost of <b>Rs 25,000</b>. Long term investment of <b>Rs 10,000</b> was also purchased. Also, the rest liability is long term in nature.</p>	5	CO2																								
<b>SECTION C</b> <b>(2Qx10M=20Marks)</b>																											
10	<p>Calculate Liquidity and Solvency Ratios from the given information.</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Long term debt</td> <td style="text-align: right;"><b>5,00,000</b></td> </tr> <tr> <td>Cash and Bank</td> <td style="text-align: right;"><b>90,000</b></td> </tr> <tr> <td>Equity Shares</td> <td style="text-align: right;"><b>1,50,000</b></td> </tr> <tr> <td>Marketable Securities</td> <td style="text-align: right;"><b>50,000</b></td> </tr> <tr> <td>Reserves and Surplus</td> <td style="text-align: right;"><b>1,00,000</b></td> </tr> <tr> <td>Bills Receivables</td> <td style="text-align: right;"><b>1,00,000</b></td> </tr> <tr> <td>Creditors</td> <td style="text-align: right;"><b>1,00,000</b></td> </tr> <tr> <td>Inventory</td> <td style="text-align: right;"><b>1,00,000</b></td> </tr> <tr> <td>Outstanding Expenses</td> <td style="text-align: right;"><b>40,000</b></td> </tr> <tr> <td>Plant and Equipment</td> <td style="text-align: right;"><b>2,50,000</b></td> </tr> <tr> <td>Building</td> <td style="text-align: right;"><b>2,00,000</b></td> </tr> <tr> <td>Advance Tax</td> <td style="text-align: right;"><b>1,00,000</b></td> </tr> </table>	Long term debt	<b>5,00,000</b>	Cash and Bank	<b>90,000</b>	Equity Shares	<b>1,50,000</b>	Marketable Securities	<b>50,000</b>	Reserves and Surplus	<b>1,00,000</b>	Bills Receivables	<b>1,00,000</b>	Creditors	<b>1,00,000</b>	Inventory	<b>1,00,000</b>	Outstanding Expenses	<b>40,000</b>	Plant and Equipment	<b>2,50,000</b>	Building	<b>2,00,000</b>	Advance Tax	<b>1,00,000</b>	10	CO3
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11	<p>On October 1, 2018, Ramesh Taders purchased a Machine for ₹ 3,80,000. Depreciation charged at 10 % on Straight Line Method of Depreciation. On 1<sup>st</sup> July 2022, Machinery was sold for Rs 150000.</p> <p>Prepare Machinery account by providing depreciation on reducing Balance Method. Accounts are closed on March 31<sup>st</sup> every year.</p>	10	CO4																								
<b>SECTION D</b> <b>(25Qx2M= 50 Marks)</b>																											

12	Prepare Journal for the given transactions.	25	CO3
	1 Started business with cash - <b>1,00,000</b>		
	2 Deposited cash into bank – <b>50,000</b>		
	3 Purchased goods by paying cash - <b>6,000</b>		
	4 Purchased goods from XYZ Co. on credit - <b>10,000</b>		
	5 Sold goods to Ramesh and received cash - <b>11,000</b>		
	6 Paid salaries by Bank - <b>5,000</b>		
	7 Paid XYZ Co. by cheque for the purchases made on 4th Jan.		
	8 Bought furniture by cash - <b>4,000</b>		
	9 Paid electricity charges by cash - <b>1,000</b>		
	10 Drawings made for private use in goods - <b>1,000</b>		
	11 Purchase from Rahul worth- <b>15,000</b>		
	12 Sold goods to Shyam for- <b>20,000</b>		
	13 Goods returned to Rahul- <b>2,000</b>		
	14 Goods returned from Shyam- <b>5,000</b>		
	15 Cash withdrawn from bank for private use- <b>6,000</b>		

13	<p>Define Cash Flow and its activities. Calculate Cash generated from Operating Activities using Direct Method from the information given below.</p> <p>Manufacturing Expenses - <b>40,000</b>  Selling and Distribution Expenses - <b>15,000</b>  Office and Admin Expenses - <b>10,000</b>  Trading Commission Paid - <b>20,000</b>  Income Tax Refund - <b>4,000</b>  Cash Purchases - <b>45,000</b>  Wages and Salaries - <b>50,000</b>  Credit Purchases - <b>55,000</b>  Trading Commission Received - <b>20,000</b>  Rent Paid - <b>12,000</b>  Cash Received from Debtors - <b>4,50,000</b>  Rent Received - <b>20,000</b>  Income Tax Paid - <b>1,04,000</b>  Insurance Settlement claim received - <b>1,10,000</b>  Cash Sales - <b>2,50,000</b></p>	25	CO3
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