Name:

**Enrolment No:** 



## UNIVERSITY OF PETROLEUM AND ENERGY STUDIES

**End Semester Examination, December 2023** 

Course: Business Accounting Semester: 1st Semester

Program: BBA EPRCC
Course code: FINC 1001
Time: 03 Hours
Max. Marks: 100

		Max. Marks: 100	
Instr	SECTION A 10 Q x 2M=20Marks		
Q1	Double entry system of accounting means  (a) Entry in two sets of books  (b) Entry at two books  (c) Entry for two aspects of the transactions  (d) Entry by two persons	2 marks	CO1
Q2	The term current assets does not include:  (a) Payment in advance (b) Bills Receivable (c) Goodwill (d) Cash	e 2 marks	CO1
Q3	What is the primary purpose of a trial balance?  (a) To calculate net income  (b) To ensure that debits equal credits  (c) To prepare financial statements  (d) To record adjusting entries	2 marks	CO1
Q4	In the straight-line depreciation method, how is annual depreciation calculate a) (Cost of the asset - Salvage value) / Useful life b) Cost of the asset / Useful life c) (Cost of the asset / Useful life) + Salvage value d) (Useful life / Cost of the asset) * Salvage value	ed? 2 marks	CO1
Q5	Tangible Assets do not include:  (a) Goodwill (b) Stock (c) Cash	2 marks	CO1
Q6	What is the accounting equation?  (a) Assets = Liabilities + Equity  (b) Revenue = Expenses  (c) Assets - Liabilities = Equity  (d) Assets = Expenses - Liabilities	2 marks	CO1
Q7	What is the primary purpose of a balance sheet?  a) To show the revenue and expenses of a business  b) To report the financial position of a business at a specific point in time c) To summarize the cash flows of a business d) To calculate the return on investment for shareholders	2 marks	CO1
Q8	How is the quick ratio calculated?  (a) (Current assets - Inventory) / Current liabilities  (b) Current assets / Current liabilities  (c) (Current assets + Inventory) / Current liabilities  (d) Current liabilities / (Current assets - Inventory)	2 marks	CO1
Q9	What does the current ratio measure? a) Profitability b) Liquidity c) Solvency d) Efficiency	2 marks	CO1
Q10	Ideal acid test ratio is-  (a) 1:1  (b) 2:1  (c) 3:1  (d) None of the above	2 marks	CO1

		Attem	SECTION B	( 20 N	Marks)	
Q1	Attempt any four questions  Q1 Give any three points of distinction between cash basis and accrual basis of accounting.					CO2
Q2	List the three major activities of cash flow statement.					CO2
Q3	Calculate net profit ratio if cash sales Rs. 2,00,000; Gross profit 20% on sales; Non operating expenses Rs. 20,000; credit sales 80% of total sales					CO3
Q4	Explain any two accounting concepts with examples.					CO1
Q5	Write any two methods of depreciation.					CO2
			ECTION-C	( 30 M	(arks	
Q1	Journalize the following transa		t any three questions		<del> </del>	
Q2	(a) Mr. X started business with (b) He opened a bank account (c) Purchased goods from Rak (d) Sold to Mr. Ram for Rs 5,0 (e) Paid wages Rs 500 (f) Purchased goods from Mr. (g) Received a cheque for Rs 2 (h) Sent a cheque to Mr. Rame (i) Cash sales Rs 10,000 (j) Cash Rs 2000 and goods wo (k) Goods worth Rs 2,500 distributions of the following trial balance (b) He opened a bank account (a) Mr. Rame (ii) Cash Rs 2000 and goods worth Rs 2,500 distributions (b) Goods worth Rs 2,500 distributions (b) He opened a bank account (c) Purchased goods from Rak (d) Sold to Mr. Ram for Rs 5,00 (e) Paid wages Rs 500 (f) Purchased goods from Mr. (g) Received a cheque for Rs 2 (h) Sold to Mr. Ram for Rs 5,00 (f) Purchased goods from Mr. (g) Received a cheque for Rs 2 (h) Sold to Mr. Ram for Rs 5,00 (f) Purchased goods from Mr. (g) Received a cheque for Rs 2 (h) Sold to Mr. Ram for Rs 5,00 (f) Purchased goods from Mr. (g) Received a cheque for Rs 2 (h) Sold to Mr. Ram for Rs 5,00 (f) Purchased goods from Mr. (g) Received a cheque for Rs 2 (h) Sold to Mr. Ram for	and deposites Rs 25,000000000000000000000000000000000000	ed Rs 1,00,000  or Rs 10,000  Mr. Ram and deposited into 000.  or withdrawn by the owner free sample.  faushal Traders, prepare T	for personal use	10 marks	CO3
	and Loss Account for the year date:					
	Dr. Balances	Amount	Cr. Balances	Amount		
	Opening stock on 1st April, 2011	16,000	Capital	80,000		
	Purchases	75,000	Sales	2,00,000		CO3
	Sales returns	5,000	Purchases returns	2,000		
	Carriage inwards	1,500	Discount	500	10	
	Plant and Machinery	40,000	Sundry creditors	10,000	marks	
	7					
	Furniture and fixtures	5,000	Bills payable	1,500		
		5,000 45,650	Bills payable	1,500		
	Furniture and fixtures		Bills payable	1,500		
	Furniture and fixtures Freehold property	45,650	Bills payable	1,500		
	Furniture and fixtures Freehold property Cash in hand	45,650 5,000	Bills payable	1,500		
	Furniture and fixtures Freehold property Cash in hand Wages	45,650 5,000 30,000	Bills payable	1,500		
	Furniture and fixtures Freehold property Cash in hand Wages Salaries	45,650 5,000 30,000 18,000	Bills payable	1,500		
	Furniture and fixtures Freehold property Cash in hand Wages Salaries Lighting (factory)	45,650 5,000 30,000 18,000 800	Bills payable	1,500		

	Adjustments: i. Stock on 31st March 201	2 was valued a	at Rs. 38,000 (market value R	s. 20,000).		
			· ·			
	iii. Prepaid insurance amou		aries amounting to Rs. 1,500 a	re outstanding.		
	•		chinery at 5% and on furniture	e		
	and fixtures at 10%	P-00-10				
			Or			
	What is a Trial Balance? St	ate any four fu	unctions of a Trial Balance. W	hat are the two		
	methods of preparation of	•				
Q3		eing taken fro	m the records of Madhav Cor	rporation as on		
	31.03.2022-		D 07.000			
	Cash		Rs. 25,000			
	Debtors (Net)		Rs. 12,000			
	Inventory		Rs. 8,000			
	Prepaid Expenses		Rs. 2,000			
	Creditors		Rs. 12,000			
1	D'11 D 11		D 2 000			
	Bills Payable		Rs. 3,000		10	
	Sales		Rs. 53,000		10	CO3
	Sales Purchases		Rs. 53,000 Rs. 34,000		10 marks	CO3
	Sales Purchases Purchases Returns		Rs. 53,000 Rs. 34,000 Rs. 750		-	CO3
	Sales Purchases Purchases Returns On the basis of above infor		Rs. 53,000 Rs. 34,000 Rs. 750 ute the following-	(d) <b>D</b>	-	CO3
	Sales Purchases Purchases Returns On the basis of above infor (a) Current Ratio; (b) Acid	-Test Ratio; (c	Rs. 53,000 Rs. 34,000 Rs. 750 ute the following- c) Inventory Turnover Ratio;	(d) Receivable	-	СО3
	Sales Purchases Purchases Returns On the basis of above infor	-Test Ratio; (c	Rs. 53,000 Rs. 34,000 Rs. 750 ute the following- c) Inventory Turnover Ratio;	(d) Receivable	-	CO3
	Sales Purchases Purchases Returns On the basis of above infor (a) Current Ratio; (b) Acid Turnover Ratio; (e) Average	-Test Ratio; (c ge payment per Or	Rs. 53,000 Rs. 34,000 Rs. 750 atte the following- e) Inventory Turnover Ratio; riod.		-	CO3
	Sales Purchases Purchases Returns On the basis of above infor (a) Current Ratio; (b) Acid Turnover Ratio; (e) Average	-Test Ratio; (c ge payment per Or	Rs. 53,000 Rs. 34,000 Rs. 750 ute the following- c) Inventory Turnover Ratio;		-	СО3
	Sales Purchases Purchases Returns On the basis of above infor (a) Current Ratio; (b) Acid Turnover Ratio; (e) Averag What do you understand by	-Test Ratio; (or payment per Or y 'ratio analys	Rs. 53,000 Rs. 34,000 Rs. 750 ute the following- e) Inventory Turnover Ratio; riod. is'? What are the objectives a	and limitations	marks	CO3
	Sales Purchases Purchases Returns On the basis of above infor (a) Current Ratio; (b) Acid Turnover Ratio; (e) Averag What do you understand by	-Test Ratio; (or payment per Or y 'ratio analys	Rs. 53,000 Rs. 34,000 Rs. 750 atte the following- e) Inventory Turnover Ratio; riod.		marks	CO3
	Sales Purchases Purchases Returns On the basis of above infor (a) Current Ratio; (b) Acid Turnover Ratio; (e) Averag What do you understand by	-Test Ratio; (or payment per Or y 'ratio analys	Rs. 53,000 Rs. 34,000 Rs. 750 ute the following- e) Inventory Turnover Ratio; riod. is'? What are the objectives a	and limitations	marks	CO3
Q1	Sales Purchases Purchases Returns On the basis of above infor (a) Current Ratio; (b) Acid Turnover Ratio; (e) Averag What do you understand b of ratio analysis.  Attempt both the questions	-Test Ratio; (depayment per Or y 'ratio analys	Rs. 53,000 Rs. 34,000 Rs. 750 ute the following- e) Inventory Turnover Ratio; riod. is'? What are the objectives a	and limitations ( 30 Ma	marks	CO3
Q1	Sales Purchases Purchases Returns On the basis of above infor (a) Current Ratio; (b) Acid Turnover Ratio; (e) Averag What do you understand by of ratio analysis.  Attempt both the questions On April 01, 2010, Bajrang	-Test Ratio; (or ge payment per Or y 'ratio analys  SEO	Rs. 53,000 Rs. 34,000 Rs. 750 ute the following- e) Inventory Turnover Ratio; riod. is'? What are the objectives a	( 30 Ma	marks	CO3
Q1	Sales Purchases Purchases Returns On the basis of above infor (a) Current Ratio; (b) Acid Turnover Ratio; (e) Averag What do you understand b of ratio analysis.  Attempt both the questions On April 01, 2010, Bajrang 10,000 on its carriage and	Test Ratio; (or per payment per Or y 'ratio analys  SEO  g Marbles purced to the per payment per Or y 'ratio analys'  SEO  g Marbles purced to the per payment per	Rs. 53,000 Rs. 34,000 Rs. 750 ute the following- c) Inventory Turnover Ratio; riod. is'? What are the objectives a	and limitations  ( 30 Ma  000 and spent ₹ hat its working	marks rks)	CO3
Q1	Sales Purchases Purchases Returns On the basis of above infor (a) Current Ratio; (b) Acid Turnover Ratio; (e) Averag What do you understand by of ratio analysis.  Attempt both the questions On April 01, 2010, Bajrang 10,000 on its carriage and life is 10 years and after 1	Test Ratio; (or payment per Or y 'ratio analys  SEO  g Marbles purc ₹ 10,000 on its 0 years its scra	Rs. 53,000 Rs. 34,000 Rs. 750 ute the following- c) Inventory Turnover Ratio; riod.  is'? What are the objectives a  CTION-D  chased a Machine for ₹ 1,80,0 s installation. It is estimated the	(30 Ma  000 and spent ₹ hat its working repare Machine	marks rks)	CO3
Q1	Sales Purchases Purchases Returns On the basis of above infor (a) Current Ratio; (b) Acid Turnover Ratio; (e) Averag What do you understand by of ratio analysis.  Attempt both the questions On April 01, 2010, Bajrang 10,000 on its carriage and life is 10 years and after 1	Test Ratio; (or ge payment per Or y 'ratio analys  SEO  Marbles purce 10,000 on its 0 years its scraccount for the unts are closed	Rs. 53,000 Rs. 34,000 Rs. 750 Let the following- Let in the collowing- Let in the collowing in the co	(30 Ma  000 and spent ₹ hat its working repare Machine	marks rks)	
Q1	Sales Purchases Purchases Returns On the basis of above infor (a) Current Ratio; (b) Acid Turnover Ratio; (e) Averag What do you understand by of ratio analysis.  Attempt both the questions On April 01, 2010, Bajrang 10,000 on its carriage and life is 10 years and after 1 account and Depreciation a	Test Ratio; (or ge payment per Or y 'ratio analys  SEO  Marbles purce 10,000 on its 0 years its scracecount for the lints are closed Or	Rs. 53,000 Rs. 34,000 Rs. 750 ute the following- e) Inventory Turnover Ratio; riod.  is'? What are the objectives a  CTION-D  chased a Machine for ₹ 1,80,0 s installation. It is estimated the paper value will be ₹ 20,000. Profirst four years by providing of on March 31st every year.	(30 Ma  000 and spent ₹ hat its working repare Machine	marks rks)	

Q2	Given below are the balances extracted from the books of Nagarajan as on 31st
	March, 2016.

Particulars	Amount	Particulars	Amount
purchases	10,000	Sales	15,100
Wages	600	Commission Received	1,900
Freight Inward	750	Rent Received	600
Advertisement	500	Creditors	2,400
Carriage Outwards	400	Capital	5,000
Cash	1,200		
Machinery	8,000		
Debtors	2,250		
Bills Receivables	300		
Stock on 1 <sup>st</sup> January	1,000		
Total	25,000		25,000

15 marks

Prepare the trading and profit and loss account for the year ended 31st March, 2016 and the balance sheet as on that date after adjusting the following:

- i. Commission received in advance Rs. 400
- ii. Advertisement paid in advance Rs. 150
- iii. Wages outstanding Rs. 200
- iv. Closing stock on 31st March 2016, Rs. 2,100

Or

2. How final accounts relate to the terms "trading account," "profit and loss account," and "balance sheet." Give a brief description of the contents and objectives of each of these accounts.

**CO4**