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| Name: |  |
| Enrolment No: | |

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
End Semester Examination, December 2019

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| Course: BBA T & HM | Semester: I |
| Programme: Business Accounting | Time: 03 hrs. |
| Max. Marks: 100 | |
| Instructions: Attempt all questions | |

SECTION A

| S. No. | Attempt all Questions | Marks | CO |
|--------|---|----------|----------|
| Q1 | Select the most appropriate answer from the following. | | |
| A | In accounts recording is made of a. Only Financial Transaction b. Only Non-Financial transaction c. Financial and Non-financial transactions d. Personal Transactions of Proprietor | 2 | 1 |
| B | Discounts received are a. Deducted by us when we pay our accounts b. Given by us when we sell goods on credit c. Deducted when we receive cash d. None of these | 2 | 1 |
| C | Depreciation arises from a. Physical wear and tear b. Fall in value of money c. Fall in the market value of asset d. All of the above | 2 | 1 |
| D | Purchase of equipment for cash a. increase total assets b. keeps total assets unchanged c. decreases total assets d. increases cash | 2 | 1 |
| E | Both assets and owner's equity (capital) would be increased by: a. proprietor's withdrawals b. purchasing a building on credit c. retained earning d. none of the above | 2 | 1 |

| | | | |
|---|---|---|---|
| F | <p>While putting the value or price of an entity in financial records the lowest price is recorded not the current price or current market value. This is known as</p> <p>a. Business Entity Concept b. Conservatism c. Cost Concept d. Money Measurement Concept</p> | 2 | 1 |
| G | <p>Systematic recording of business transactions in books of account is</p> <p>a. Auditing b. Book Keeping c. Financial Accounting d. Balance Sheet</p> | 2 | 1 |
| H | <p>Which of these have debit balance?</p> <p>a. Income received in advance b. Bank loan c. Prepaid insurance premium d. Both a & c</p> | 2 | 1 |
| I | <p>Trade discount is</p> <p>a. Which is allowed at the time of receiving the payment. b. Which is allowed at the time of sale of goods. c. Which is allowed both at the time of receiving payment and sale of goods. d. Allowed in all of the above.</p> | 2 | 1 |
| J | <p>Which of the following should be charged in the Profit and Loss Account?</p> <p>a. Direct materials b. Work in progress c. Office rent d. Carriage on raw materials</p> | 2 | 1 |

SECTION B

| | | | |
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| | Short Answer Questions | | |
| Q 2 | Distinguish between depreciation, amortization and depletion. State examples to clarify the differences. Also state 4 merits of written down method of providing depreciation. | 5 | 2 |
| Q 3 | Distinguish between current ratio and quick ratio. Why Quick ratio is considered to be more dependable than current ratio? Specify. | 5 | 2 & 3 |

| | | | |
|------------------|---|----|-------|
| Q 4 | Distinguish between straight line method and written down value method for charging | 5 | 1 & 2 |
| Q 5 | Explain common size statement with its forms. | 5 | 1 |
| SECTION-C | | | |
| | Descriptive Type Questions (Attempt any two) | | |
| Q 6 | What do you mean by Cash Flow statement? How it is prepared? Discuss its main uses. | 15 | 2 & 3 |
| Q 7 | From the following information calculate the following a) COGS b) Opening Stock & Closing Stock c) Quick Assets and Current Assets: 1) Stock Turnover Ratio 5 times 2) Stock at the end is Rs 5000 more than the stock at the beginning 3) Sales (all credit) Rs 2,00,000 4) Gross Profit Ratio $\frac{1}{4}$ on cost 5) Current Liabilities Rs 60,000 6) Quick Ratio 0.75 | 15 | 3 & 4 |
| Q 8 | Compute: a) Sales b) Sundry Debtors c) Closing Stock d) Sundry Creditors from the following information. Debtors Velocity 3 months Stock Velocity 8 months Creditors Velocity 2 months Gross Profit Ratio 25 % Gross Profit for the year Rs 2,00,000. | 15 | 3 & 4 |
| SECTION-D | | | |
| | Case Study | | |
| Q 9 | From the following balances extracted from the books of Piramal, prepare Trading and Profit and Loss Account for the year ended 31 st March 2016 and a Balance Sheet as on the date after taking into consideration the adjustments given below. Trading Account 5 Marks Profit and Loss Account 10 Marks Balance Sheet 15 Marks. | 30 | 3 & 4 |

| Particulars | Dr. Amount | Cr. Amount |
|--------------------------------|-----------------------|-----------------------|
| Drawings and Capital | 7,500 | 50,000 |
| Purchase and Sales | 72,100 | 95,000 |
| Sales and Purchase Returns | 1,300 | 2,700 |
| Sundry Debtors and Creditors | 18,200 | 35,750 |
| Stock (1 st April 2015) | 19,800 | |
| Bad Debts | 3,000 | |
| Bills Receivables and Payables | 12,000 | 23,000 |
| Cash in Hands | 300 | |
| Office Expense | 6,210 | |
| Sales Van | 15,000 | |
| Sales Van Expense | 1,400 | |
| Discount | | 2,910 |
| Rent and Taxes | 10,700 | |
| Telephone Charges | 1,050 | |
| Postage and Telegram | 950 | |
| Furniture | 5,000 | |
| Printing and Stationary | 2,750 | |
| Commission | 8400 | |
| Carriage Inward | 3200 | |
| Salaries and Wages | 20,500 | |
| | 2,09,360 | 2,09,360 |

Adjustments:

- a) Closing Stock was valued at RS 61,700
- b) Depreciation Furniture at 10% and Sales Van at 20%
- c) Outstanding Rent amounted to Rs 900
- d) Bad Debts Rs 200
- e) Make a Provision for Bad and Doubtful Debt at Rs 900 on Debtors
- f) Charge one fourth of Salaries and Wages to Trading Account.