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| <b>Name:</b>         |  |
| <b>Enrolment No:</b> |   |

**UNIVERSITY OF PETROLEUM AND ENERGY STUDIES**

**End Semester Examination, December 2018**

**Course: BBA Core, BBA AIS, BBA Foreign Trade, BBA E-Business**

**Semester: I**

**Programme: Business Accounting**

**Time: 03 hrs.**

**Max. Marks: 100**

**Instructions: This paper has four sections. Section A, B and D are compulsory.**

**SECTION A**

| S. No. | Attempt all Questions   | Marks    | CO       |
|--------|---|----------|----------|
|        | Select the most appropriate answer from the following.  |          |          |
| Q1     | In accounts recording is made of<br><br>a. Only Financial Transaction<br>b. Only Non-Financial transaction<br>c. Financial and Non-financial transactions<br>d. Personal Transactions of Proprietor | <b>2</b> | <b>1</b> |
| Q2     | Discounts received are<br><br>a. Deducted by us when we pay our accounts<br>b. Given by us when we sell goods on credit<br>c. Deducted when we receive cash<br>d. None of these                     | <b>2</b> | <b>1</b> |
| Q3     | Depreciation arises from<br><br>a. Physical wear and tear<br>b. Fall in value of money<br>c. Fall in the market value of asset<br>d. All of the above   | <b>2</b> | <b>1</b> |
| Q4     | Purchase of equipment for cash<br><br>a. increase total assets<br>b. keeps total assets unchanged<br>c. decreases total assets<br>d. increases cash   | <b>2</b> | <b>1</b> |
| Q5     | Both assets and owner's equity (capital) would be increased by:<br>a. proprietor's withdrawals<br>b. purchasing a building on credit<br>c. retained earning<br>d. none of the above                 | <b>2</b> | <b>1</b> |

|                  |   |   |       |
|------------------|---|---|-------|
| Q6               | 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<br><br>a. Business Entity Concept<br>b. Conservatism<br>c. Cost Concept<br>d. Money Measurement Concept | 2 | 1     |
| Q7               | Systematic recording of business transactions in books of account is<br><br>a. Auditing<br>b. Book Keeping<br>c. Financial Accounting<br>d. Balance Sheet   | 2 | 1     |
| Q8               | Which of these have debit balance?<br><br>a. Income received in advance<br>b. Bank loan<br>c. Prepaid insurance premium<br>d. Both a & c  | 2 | 1     |
| Q9               | Trade discount is<br><br>a. Which is allowed at the time of receiving the payment.<br>b. Which is allowed at the time of sale of goods.<br>c. Which is allowed both at the time of receiving payment and sale of goods.<br>d. Allowed in all of the above.              | 2 | 1     |
| Q10              | Which of the following should be charged in the Profit and Loss Account?<br><br>a. Direct materials<br>b. Work in progress<br>c. Office rent<br>d. Carriage on raw materials  | 2 | 1     |
| <b>SECTION B</b> |   |   |       |
|                  | Short Answer Questions  |   |       |
| Q 1              | 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 2              | Distinguish between current ratio and quick ratio. Why Quick ratio is considered to be more dependable than current ratio? Specify.   | 5 | 2 & 3 |
| Q 3              | Distinguish between straight line method and written down value method for charging   | 5 | 1 & 2 |
| Q 4              | Explain common size statement with its forms.   | 5 | 1     |
| <b>SECTION-C</b> |   |   |       |

|     | <b>Descriptive Type Questions (Attempt any two)</b>   |           |                  |
|-----|---|-----------|------------------|
| Q 1 | What do you mean by Cash Flow statement? How it is prepared? Discuss its main uses.   | <b>15</b> | <b>2 &amp; 3</b> |
| Q 2 | From the following information calculate the following<br>a) COGS b) Opening Stock & Closing Stock c) Quick Assets and Current Assets:<br>1) Stock Turnover Ratio 5 times<br>2) Stock at the end is Rs 5000 more than the stock at the beginning<br>3) Sales (all credit) Rs 2,00,000<br>4) Gross Profit Ratio $\frac{1}{4}$ on cost<br>5) Current Liabilities Rs 60,000<br>6) Quick Ratio 0.75 | <b>15</b> | <b>3 &amp; 4</b> |
| Q 3 | Compute: a) Sales b) Sundry Debtors c) Closing Stock d) Sundry Creditors from the following information.<br><br>Debtors Velocity 3 months<br><br>Stock Velocity 8 months<br><br>Creditors Velocity 2 months<br><br>Gross Profit Ratio 25 %<br><br>Gross Profit for the year Rs 2,00,000.  | <b>15</b> | <b>3 &amp; 4</b> |

**SECTION-D**

|                              | Case Study  |                    |            |            |  |               |               |                      |       |        |                    |        |        |                            |       |       |                              |        |        |           |                  |
|------------------------------|---|--------------------|------------|------------|--|---------------|---------------|----------------------|-------|--------|--------------------|--------|--------|----------------------------|-------|-------|------------------------------|--------|--------|-----------|------------------|
| Q 1                          | <p>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.</p> <p><b>Trading Account 5 Marks Profit and Loss Account 10 Marks Balance Sheet 15 Marks.</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;"><b>Particulars</b></th> <th style="width: 20%;"><b>Dr.</b></th> <th style="width: 20%;"><b>Cr.</b></th> </tr> <tr> <td></td> <th style="text-align: center;"><b>Amount</b></th> <th style="text-align: center;"><b>Amount</b></th> </tr> </thead> <tbody> <tr> <td>Drawings and Capital</td> <td style="text-align: center;">7,500</td> <td style="text-align: center;">50,000</td> </tr> <tr> <td>Purchase and Sales</td> <td style="text-align: center;">72,100</td> <td style="text-align: center;">95,000</td> </tr> <tr> <td>Sales and Purchase Returns</td> <td style="text-align: center;">1,300</td> <td style="text-align: center;">2,700</td> </tr> <tr> <td>Sundry Debtors and Creditors</td> <td style="text-align: center;">18,200</td> <td style="text-align: center;">35,750</td> </tr> </tbody> </table> | <b>Particulars</b> | <b>Dr.</b> | <b>Cr.</b> |  | <b>Amount</b> | <b>Amount</b> | 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 | <b>30</b> | <b>3 &amp; 4</b> |
| <b>Particulars</b>           | <b>Dr.</b>  | <b>Cr.</b>         |            |            |  |               |               |                      |       |        |                    |        |        |                            |       |       |                              |        |        |           |                  |
|                              | <b>Amount</b>   | <b>Amount</b>      |            |            |  |               |               |                      |       |        |                    |        |        |                            |       |       |                              |        |        |           |                  |
| 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          |                 |
|                                | <b>2,09,360</b> | <b>2,09,360</b> |

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.