


Name:	
Enrolment No:	

**UNIVERSITY OF PETROLEUM AND ENERGY STUDIES**

**End Semester Examination, December 2022**

Course: <b>BUSINES ACCOUNTING</b>	SEM : 1
Program: <b>INT-BBA-MBA</b>	Time: 03 hrs.
Course Code: <b>FINC 1021</b>	Max. Marks: 100

Instructions:

**SECTION A**

**10Qx2M=20Marks**

S. No.		Marks	CO
Q 1	What shall be the amount of capital if cash is Rs.5000, Furniture Rs.12,000, Stock Rs.30,000 and Creditors Rs.6000.  (a) Rs.53,000   (b) Rs.47,000   (c) Rs.41,000   (d) Rs.4100	<b>2</b>	<b>CO1</b>
Q 2	Book-Keeping is mainly concerned with;  (a) Recording of financial data (b) Designing the systems of summarizing the recorded data (c) Interpreting the data for internal and internal and external users (d) Preparation of financial statements of business enterprise	<b>2</b>	<b>CO1</b>

Q 3	<p>Which of the following is not recorded in cash book-</p> <ul style="list-style-type: none"> <li>(a) Trade Discount</li> <li>(b) Bad Debts</li> <li>(c) Credit Purchases</li> <li>(d) All of the above</li> </ul>	<b>2</b>	<b>CO1</b>
Q 4	<p>Income earned but not received is shown in.....</p> <ul style="list-style-type: none"> <li>(a) Liabilities</li> <li>(b) Assets</li> <li>(c) Footnotes</li> <li>(d) None of these</li> </ul>	<b>2</b>	<b>CO1</b>
Q 5	<p>Which of the following is not the limitation of accounting?</p> <ul style="list-style-type: none"> <li>(a) Based on accounting conventions.</li> <li>(b) Evidence in Legal matters.</li> <li>(c) Incomplete information.</li> <li>(d) Omission of Qualitative information.</li> </ul>	<b>2</b>	<b>CO1</b>
Q 6	<p>Which of the following is not a sub-field of accounting?</p> <ul style="list-style-type: none"> <li>(a) Financial accounting</li> <li>(b) Book keeping</li> <li>(c) Management accounting</li> <li>(d) Cost accounting</li> </ul>	<b>2</b>	<b>CO1</b>

Q 7	The debit balance of personal accounts indicate –  (a) Amount payable (b) Cash in hand (c) Amount receivable (d) Assets	2	CO1
Q 8	Goods costing Rs. 30,000 supplied to Mohan at a profit of 25% of sale price less trade discount at 5% will be credited to sales account with –  (a) Rs. 35625 (b) Rs. 38,000 (c) Rs. 37,500 (d) Rs.34,200	2	CO1
Q 9	Depreciation is calculated from the date of-  (a) Purchases of assets (b) Receipts of Assets at business premises (c) Assets put to use (d) Assets installed.	2	CO1
Q 10	In accounts recording is made of:  (a) Only Financial transactions. (b) Only Non-Financial transactions. (c) Financial and Non-Financial transactions. (d) Personal transactions of the Proprietor	2	CO1
<b>SECTION B</b>			
<b>4Qx5M= 20 Marks</b>			
Q 11	What is difference between Single Entry System and Double Entry System?	5	CO1
Q 12	What are the accounting concepts? Explain any two	5	CO1
Q 13	"Each transaction has a double aspect." Explain this statement giving examples.	5	CO1

Q 14	Distinguish between -  (a) Expenses and losses  (b) Profit and Gains	5	CO1
------	--	---	-----

**SECTION-C**

**3Qx10M=30 Marks**

Q 15	From the following balances, taken from the books of M/S Ajay Gupta & Sons as at 31 <sup>st</sup> March 2005, prepare a Trial Balance in proper form -	10	CO3																																																
<table border="1"> <thead> <tr> <th>Particular</th> <th>Amount</th> <th>Particular</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Stock on 1st April 2004</td> <td>2,20,000</td> <td>Investments</td> <td>3,00,000</td> </tr> <tr> <td>Purchases</td> <td>25,75,000</td> <td>Interest on investments</td> <td>27,000</td> </tr> <tr> <td>Sales</td> <td>36,18,000</td> <td>Cash and Bank</td> <td>12,400</td> </tr> <tr> <td>Carriage Inwards</td> <td>3,000</td> <td>Premises</td> <td>6,00,000</td> </tr> <tr> <td>Carriage outward</td> <td>1,200</td> <td>Fixtures</td> <td>1,40,000</td> </tr> <tr> <td>Return Inwards</td> <td>85,000</td> <td>Misc. Expenses</td> <td>5,200</td> </tr> <tr> <td>Return Outwards</td> <td>20,000</td> <td>Misc. Income</td> <td>1,400</td> </tr> <tr> <td>Debtors</td> <td>3,20,000</td> <td>Loan from ICICI Bank</td> <td>2,50,000</td> </tr> <tr> <td>Creditors</td> <td>1,74,000</td> <td>Interest on above</td> <td>30,000</td> </tr> <tr> <td>Bad Debts</td> <td>6,000</td> <td>Capital</td> <td>7,00,000</td> </tr> <tr> <td>Stationery</td> <td>4,200</td> <td>Proprietors Withdrawals</td> <td>60,000</td> </tr> </tbody> </table>				Particular	Amount	Particular	Amount	Stock on 1st April 2004	2,20,000	Investments	3,00,000	Purchases	25,75,000	Interest on investments	27,000	Sales	36,18,000	Cash and Bank	12,400	Carriage Inwards	3,000	Premises	6,00,000	Carriage outward	1,200	Fixtures	1,40,000	Return Inwards	85,000	Misc. Expenses	5,200	Return Outwards	20,000	Misc. Income	1,400	Debtors	3,20,000	Loan from ICICI Bank	2,50,000	Creditors	1,74,000	Interest on above	30,000	Bad Debts	6,000	Capital	7,00,000	Stationery	4,200	Proprietors Withdrawals	60,000
Particular	Amount			Particular	Amount																																														
Stock on 1st April 2004	2,20,000			Investments	3,00,000																																														
Purchases	25,75,000			Interest on investments	27,000																																														
Sales	36,18,000			Cash and Bank	12,400																																														
Carriage Inwards	3,000			Premises	6,00,000																																														
Carriage outward	1,200			Fixtures	1,40,000																																														
Return Inwards	85,000			Misc. Expenses	5,200																																														
Return Outwards	20,000			Misc. Income	1,400																																														
Debtors	3,20,000			Loan from ICICI Bank	2,50,000																																														
Creditors	1,74,000			Interest on above	30,000																																														
Bad Debts	6,000			Capital	7,00,000																																														
Stationery	4,200	Proprietors Withdrawals	60,000																																																

	Insurance	3,400	Computers	90,000			
	Wages and Salaries	1,85,000	Goodwill	1,50,000			
Q 16	How comparative Cost sheet is prepared in manufacturing sector?					<b>10</b>	<b>CO3</b>
Q 17	<p>Z &amp; Company purchased a Machinery on 1st April, 2009, for Rs. 54,000 and spent Rs. 6,000 on its installation. On 1st December, 2010, it purchased another machine for Rs. 30,000. On 30th June 2011, the first machine purchased on 1st April, 2009, is sold for Rs. 36,000 and on the same date it purchased a new machinery for Rs. 80,000.</p> <p>On December 1, 2012, the second machine (purchased on December 1, 2010) was also sold off for Rs. 26,000.</p> <p>Depreciation was provided on machinery @ 10% p.a. on Original Cost Method annually on 31st March. Give the machinery account for four years</p>					<b>10</b>	<b>CO3</b>
<b>SECTION-D</b>							
<b>2Qx15M= 30 Marks</b>							
Q 18	Following are the particulars for the production of 2000 Units of Z Ltd. For the year 2020-					<b>15</b>	<b>CO4</b>

Cost of Materials	3,20,000
Wages	4,80,000
Manufacturing Expenses	2,00,000
Depreciation	2,40,000
Rent, Rates and Insurance	40,000
Selling Expenses	1,20,000
General expenses	80,000
Sales	16,00,000

The company plans to manufactures 3,000 units during 2021. You are required to submit a statement showing the price at which units would be sold so as to show a profit of 10% on the selling price. The following additional information is supplied to you-

- 1-Price of materials is expected to rise by 20%
- 2-Wages rates are expected to show an increase of 5%.
- 3-Manufacturing Expenses will rise in the proportion to Prime Cost.
- 4-Selling Expenses per unit will remain the same.
- 5-Other Expenses will remain unaffected by the rise in output.

**OR**

Some data of financial accounts of a company are as follows:

Annual Sales
--------------

<b>2,40,000</b>
-----------------

% of Gross Profit on Sale	<b>15%</b>
Average Inventory	<b>34,000</b>
Current Liabilities	<b>24,000</b>
Current Ratio	<b>300%</b>
Closing Inventory	<b>24,000</b>
Receivables at the end	<b>32,000</b>

From the above information, Calculate the following **RATIOS**:

- (A) Inventory Turnover
- (B) Receivables Turnover
- (C) Acid Test Ratio
- (D) Current Assets Turnover
- (E) Average Collection Period in months

Q 19

From the following Trail Balance of Chetan Bajaj, prepare a Trading and Profit and Loss Account for the year ended on 31 March 2020 and a Balance Sheet as at date:

**15**

**CO4**

Particulars	Rupees DR	Particulars	Rupees CR
Drawings	70,000	Capital	9,00,000
Building	1,20,000	Creditors	80,000
Debtors	60,000	Sales	3,65,000
Purchases	4,70,000	Discount	1,800
Sales Return	13,800	Miscellaneous Receipts	11,000
Fire Insurance Premium	5,600	Bad Debts Provision	20,000
Life Insurance Premium	8,600	Bill Payables	57,200
Cash in hand	51,800		
Cash at Bank	51,400		
Stock (31-03-2020)	70,000		
Bad Debts	24,000		
Carriage	12,600		
Wages	55,400		
Plant	4,60,000		
Furniture	1,20,000		
Salaries	46,000		
Bank Charges	400		
Coal & Gas	24,000		
Rates & Taxes	16,000		
Bills Receivables	1,20,000		
Trade Charges	400		
<b>TOTAL</b>	<b>18,00,000</b>	<b>TOTAL</b>	<b>18,00,000</b>

**Adjustments –**

1 – Carry Forward the following unexpired amounts



	<p>(a) Fire Insurance Premium Rs.1,400 (b) Rates &amp; Taxes Rs.4,000</p> <p>2 – Depreciate Building @ 5% and Furniture @ 10%</p> <p>3- Wages include Rs.4,000 spent on the installation of a new plant on 1 April 2019.</p> <p>4- Make a provision of 5% on Sundry Debtors for Doubtful Debts.</p> <p>5- Trade expenses Rs.800 and Wages Rs.3,000 have not yet been paid.</p> <p>6- Managers is entitled to a commission of 10% on Net Profit After charging such Commission.</p>			
--	--	--	--	--