



# BRAINWARE UNIVERSITY

Term End Examination 2023-2024

Programme – BBA LL.B.-2023

Course Name – Accountancy & Finance

Course Code - BBALLB102

( Semester I )

Full Marks : 60

Time : 2:30 Hours

[The figure in the margin indicates full marks. Candidates are required to give their answers in their own words as far as practicable.]

## Group-A

(Multiple Choice Type Question)

1 x 15=15

1. Choose the correct alternative from the following :

- (i) The sales income (Credit and Cash) of a business during a given period is identified as \_\_\_\_\_. (Identify among the following).
- |                 |                     |
|-----------------|---------------------|
| a) Transactions | b) Sales returns    |
| c) Turnover     | d) Purchase returns |
- (ii) All of following are Assets except \_\_\_\_\_. (Identify among the following).
- |                    |                 |
|--------------------|-----------------|
| a) Prepaid Rent    | b) Goods        |
| c) Unearned Income | d) All of these |
- (iii) Identify the Pioneer of Accounting
- |                       |                  |
|-----------------------|------------------|
| a) Arthur Field House | b) Gitman        |
| c) William Pickles    | d) Lucas Pacioli |
- (iv) In income measurement & reorganization of assets & liabilities which of the following concepts goes together? \_\_\_\_\_. (Identify among the following).
- |                                     |  |
|-------------------------------------|--|
| a) Periodicity, accrual, matching   | b) Cost, accrual, matching                 |
| c) Going concern, cost, Realization | d) Going concern, periodicity, reliability |
- (v) One of these are not external users of financial information\_(identify the correct one)
- |              |               |
|--------------|---------------|
| a) Creditors | b) Investors  |
| c) Managers  | d) Government |
- (vi) The proprietor of the business is treated as creditor for the capital introduced by him due to\_\_\_\_\_ concept. (Identify among the following).
- |                      |                |
|----------------------|----------------|
| a) Money measurement | b) Cost        |
| c) Entity            | d) Dual aspect |
- (vii) The terms accounting and book keeping are classified as (State the correct answer)
- |             |                  |
|-------------|------------------|
| a) Same     | b) Different     |
| c) Opposite | d) None of these |
- (viii) Double entry system of bookkeeping involves at least (State the correct answer)
- |                 |                 |
|-----------------|-----------------|
| a) One accounts | b) Two accounts |
|-----------------|-----------------|

- c) Three Accounts  
d) None of these
- (ix) The process of recording financial data up to trial balance is identified as \_\_\_\_\_. (State the correct answer)
- a) Book keeping  
b) Classifying  
c) Summarizing  
d) Analyzing
- (x) A company raised preference share capital of Rs. 1,00,000 by the issue of 10% preference share of Rs. 10 each. Calculate the cost of preference share capital when it is issued at 10% premium.
- a) 0.0709  
b) 0.0809  
c) 0.09089999999999999  
d) 0.1009
- (xi) Assume that a project requires an outlay of Rs. 50,000 and yields annual cash inflow of Rs. 12,500 for 7 years. Calculate the payback period for the project.
- a) 4 years  
b) 3 years  
c) 2 years  
d) 1 year
- (xii) Choose the one which would be consistent with a more aggressive approach to financing working capital.
- a) Financing short-term needs with short-term funds.  
b) Financing permanent inventory buildup with long-term debt.  
c) Financing seasonal needs with short-term funds.  
d) Financing some long-term needs with short-term funds.
- (xiii) Choose the correct answer among the following. Current asset = Rs. 10000, Current liabilities = Rs. 8000. Find the working capital.
- a) Rs. 1000  
b) Rs. 1500  
c) Rs. 2000  
d) Rs. 2500
- (xiv) Calculate the average collection period if debtors turnover ratio is 6.
- a) 50 days  
b) 60 days  
c) 70 days  
d) 80 days
- (xv) Interpretation can be explained as
- a) Explanation of meaning and significance of the data in Financial Statements  
b) Concerned with preparation and presentation of classified data  
c) Systematic analysis of recorded data  
d) Methodical classification of data given in Financial Statements

### Group-B

(Short Answer Type Questions)

3 x 5=15

2. Explain Petty Cash Book. (3)
3. Define Opening stock & Closing stock. (3)
4. Goods sold for cash to Ms. Pappia for Rs. 2000. Show the journal entry. (3)
5. Explain Bank Overdraft. (3)
6. Opening Stock Rs. 50,000; Purchase Rs. 250,000; Gross Profit Rs. 130,000; Sales Rs. 350,000. (3)  
What would be the Closing Stock? Calculate

OR

X opens a new business with Rs 1,00,000 cash, land Rs 15,000, building Rs 50,000, Plant and Machinery Rs 25,000, Furniture of Rs 10,000. Journalize the above transactions in the books of X.. Evaluate (3)

### Group-C

(Long Answer Type Questions)

5 x 6=30

7. Mr. Rohit commenced business on 1st January, 2019 with Rs 1,00,000 in cash. During the month of January 2019 the following transactions took place: Jan 1 Bought goods for cash Rs 70,000 Jan 2 Sold goods for cash Rs 38,000 Jan 15 Sold goods for cash Rs 9,000 Jan 21 (5)

Steve Co. cash Rs 35,000 Jan 22 Stationery bill paid by cash Rs 2,000 Jan 22 Telephone bill by cash Rs 500 Jan 31 Paid rent by cash Rs 2,000 Jan 31 Paid salaries by cash Rs 3,000 Jan 31 Withdrew cash personal use Rs 5,000 Prepare & construct journal entries for the transactions.

8. From the following balances extracted from the books of X & Co., estimate a trading and profit and loss account as on 31st December, 2019. (5)  
Rs Stock on 1st January 11,000  
Returns outwards 500 Bills receivables 4,500 Trade expenses 200 Purchases 39,000 Office fixtures 1,000 Wages 2,800 Cash in hand 500 Insurance 700 Cash at bank 4,750 Sundry debtors 30,000 Rent and taxes 1,100 Carriage inwards 800 Carriage outwards 1,450 Commission (Dr.) 800 Sales 60,000 Interest on capital 700 Bills payable 3,000 Stationary 450 Creditors 19,650 Returns inwards 1,300 Capital 17,900 The stock on 31st December, 2019 was valued at Rs 25,000.
9. 'The profit maximization is not an operationally feasible criterion'. Illustrate your views. (5)
10. Explain the steps of preparing final account (5)
11. State the formula for calculating depreciation under straight line method (5)
12. Given below is the Trial Balance of X Ltd as on 31st March 2019. conclude & analyse the Balance Sheet as on 31st March 2009 Trial Balance (Rs) (Rs) Capital 10,00,000 Land & Building 3,00,000 Long Term Loan 5,00,000 Debtors 5,00,000 Creditors 4,00,000 Bank 6,00,000 Stock Raw Materials 1,50,000 Stock Finished Goods 2,50,000 Plant & Machinery 3,00,000 Net Profits 2,50,000 Drawings 50,000 total 21,50,000 21,50,000

**OR**

Calculate the Cash Ledger Account Balance from the following entries for the month of March 2019 : I. March 2 Opening Balance Rs. 30000 II. March 5 Cash Purchase Rs.10000, Credit Purchase Rs.15000 III. March 15 Credit Sales Rs.50,000 IV. March 25 Collected from Debtors except Rs.5000. V. March 30 Payment to creditors and availed discount of 2%. (5)

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