



## BRAINWARE UNIVERSITY

Term End Examination 2023-2024  
Programme – B.Com.(AFB)-Hons]-2023  
Course Name – Basic Accounting  
Course Code - BBF10101  
( Semester I )

Library  
Brainware University  
389, Ramkrishna Road, Beliata  
Kolkata, West Bengal-700123

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) Identify the type of cheques is that which is issued by a firm but not deposited to the bank
- a) Uncredited cheques
  - b) Outstanding cheques
  - c) Uncollected cheques
  - d) Bounced cheques
- (ii) Identify which is/are the basis of accounting?
- a) Cash Basis
  - b) Accrual Basis
  - c) Hybrid or Mixed Basis
  - d) all of these
- (iii) Explain the concept of capital in accounting.
- a) Capital is the money owed by the business
  - b) Capital is the total assets minus liabilities
  - c) Capital is the value of goods sold
  - d) Capital is the profit earned by the business
- (iv) Give an example of an intangible asset.
- a) Land and Building
  - b) Patents and Trademarks
  - c) Cash in Hand
  - d) Furniture and Fixture
- (v) Give an example of a profit.
- a) Revenue equal to expenses
  - b) Expenses exceeding revenue
  - c) Revenue exceeding expenses
  - d) Expenses unrelated to revenue
- (vi) Select the correct answer to fill the blank : Summary of balances of ledger account is called \_\_\_\_\_
- a) trial balance
  - b) balance sheet
  - c) cash flow statement
  - d) none of these
- (vii) Select the correct answer to fill the blank : Fixed assets are held by business for \_\_\_\_\_
- a) Converting into cash
  - b) Generating revenue
  - c) Resale
  - d) None of these
- (viii) Choose the correct example of a transaction.
- a) Attending a business seminar
  - b) Paying rent for the office space
  - c) Going for a company hike
  - d) Sending a birthday card to an employee
- (ix) Choose the correct statement-
- a) Assets + Liabilities = Capital
  - b) Liabilities + Capital = Assets
  - c) Capital + Assets = Liabilities
  - d) Liabilities - Capital = Asset

(x) Choose the correct answer to fill the blank : As per the Matching concept, Revenue – \_\_\_\_\_ = Profit

- a) Expenses  
b) Liabilities  
c) Assets  
d) None of these

(xi) Choose the correct answer to fill the blank : The comparison of financial statement of one year with that of another is possible only when \_\_\_\_\_ concept is followed

- a) Going concern  
b) Accrual  
c) Consistency  
d) Matching

(xii) Identify the main purpose of accounting.

- a) To record all business transactions  
b) To communicate with customers  
c) To create advertising campaigns  
d) To produce goods and services

(xiii) Choose the correct answer to fill the blank : Depreciation is not charged on \_\_\_\_\_.

- a) New Asset  
b) Land  
c) Building  
d) None of the above

(xiv) Identify which of the following is not a type of liability

- a) Short term  
b) Current  
c) Fixed  
d) Long term

(xv) Identify according to which concept, the proprietor pays interest on drawings

- a) Accrual concept  
b) Conservatism concept  
c) Entity concept  
d) Dual Aspect concept

### Group-B

(Short Answer Type Questions)

3 x 5=15

2. Describe the Golden Rules of Accounting. (3)
3. Discuss the objective of Financial Accounting? (3)
4. Differentiate between Hire Purchase and Sale. (3)
5. Explain the adjustment entry of Outstanding Expenses and analyze the treatment of Outstanding Expenses in Financial Statements. (3)
6. Explain the objectives of preparation of Final Accounts. (3)

OR

If the rate of Gross profit on sales is 30% and the cost of goods sold is Rs. 70,000, Calculate the amount of sales? (3)

### Group-C

(Long Answer Type Questions)

5 x 6=30

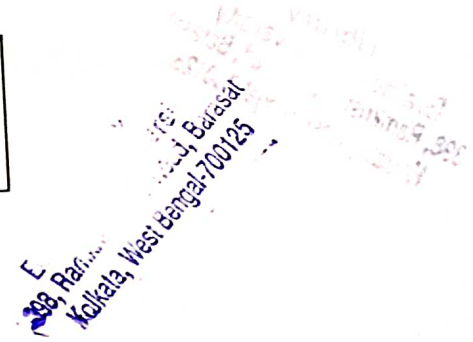
7. Describe the various methods of Depreciations. (5)
8. Record the following transactions in the books of Bhushan Agencies: 1st June 2022: Received from Bharat cash ₹ 20,000, allowed him discount of ₹ 500. 2nd June 2022: Received from Akhil ₹ 38,000 in settlement of his dues of ₹ 40,000 in cash. 5th June 2022: Paid cash ₹ 40,000 to suresh, availed discount of 2%. 8th June 2022: Paid by cheque ₹ 25,000 to Mehar and settled her dues of ₹ 26,000. 10th June 2022: Sold goods of ₹ 30,000 against cheque allowing 2% trade discount. (5)
9. On 1st April, 2019, X Ltd. purchased a machine costing ₹ 4,00,000 and spent ₹ 50,000 on its installation. The estimated life of the machinery is 10 years, after which its residual value will be ₹ 50,000 only. predict the amount of annual depreciation according to the Fixed Instalment Method and show Machinery Account for the first three years. The books are closed on 31st March every year. (5)
10. From the following, prepare Profit and Loss Account of Soham & Co as it would appear in the 1st year that ended 31st March, 2022: (5)

	Amount		Amount
Salaries and Wages	30,000	Advertising	10,000



Commission Paid	2,000	Discount Allowed	18,000
Postage and Courier	1,500	Rent Received	17,000
Insurance	3,000	Interest on Investment	15,000
Interest Paid	4,000	Bad Debts	9,000
Carriage Outwards	5,000	Brokerage Paid	950

The Gross Profit was 45% of sales, which amounted to Rs. 6,50,000.  
Also, pass the Journal entries.



11. Classify the subsidiary Books of Accounting. (5)
12. From the following ledger balances Prepare Trial Balances of Mr. Nilesh as on 31<sup>st</sup> March, 2022. (5)

Particulars	Rs	Particulars	Rs	Particulars	Rs
Goodwill	40,000	Plant & Machinery	1,60,000	Patents	36,000
Carriage	17,200	General expenses	2,800	Electricity & Lighting	12,000
Debtors	48,000	Advertisement	6,000	Bank Loan	2,00,000
Trade expenses	1,200	Furniture	28,400	Wages	56,000
Capital	2,00,000	Purchases	1,18,000	Opening Stock	41,600
Creditors	82,000	Land & Building	2,13,200	Printing & Stationery	8,400
Sales	3,00,800	Commission (Dr.)	1,600	Interest Bank loan	8,000
Discount (Dr.)	1,600	Cash in hand	2,000	Bills Payable	19,200

OR

Estimate the value of Gross Profit on the basis of the following information: Purchase – 6,80,000 Return outwards – 30,000 Carriage inwards – 20,000 Carriage outwards – 15,000 Wages – 50,000  $\frac{3}{4}$  of the goods are sold for Rs. 6,00,000 (5)

\*\*\*\*\*