30607-34910-44289

BRAINWARE UNIVERSITY

Term End Examination 2025-2026
Programme – BBA(HM)-Hons-2023/BBA(HM)-Hons-2024/BBA(HM)-Hons-2025
Course Name – Fundamentals of Accounting
Course Code - BHM20002
(Semester II)

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) Show the relationship between money measurement concept and accounting.

a) Money measurement concept ensures that only financial transactions are recorded
b) Money measurement concept allows non-financial events to be recorded
c) Money measurement concept requires the use of physical currency
d) Money measurement concept excludes any mention of money in accounting

(ii) Differentiate between income and expenses.

a) Income represents money received, expenses represent money spent
b) Income represents money spent, expenses represent money received
c) Income and expenses are the same thing
d) Income and expenses do not exist in accounting

(iii) Select an example of Revenue Expenditure.

a) Building purchase
b) Advertising expense
c) Long-term investment
d) Depreciation expense

(iv) A short term provision is recognized as -

a) Future liabilities
b) Future assets
c) Current liabilities
d) Current assets

(v) Inventories in accounting is termed as -

a) Fixed assets
b) Current assets
c) Intangible assets
d) Liabilities

(vi) Revenue Expenditure affects -

a) Increases assets
b) Decreases equity
c) Increases revenue
d) Decreases liabilities

(vii) Write the correct sequence of cash, building, goodwill, debtors, and machine in the Balance Sheet in order of liquidity.

a) Debtors, Cash, Building, Goodwill, Machine
b) Cash, Debtors, Machine, Building, Goodwill
c) Cash, Building Goodwill, Debtors, Machine
d) Cash, Goodwill, Debtors, Machine, Building

(viii) Calculate the net profit for a business when the following details are provided: Gross Profit = 40,000, Expenses = 15,000.

a) 55000 b) 25000
c) 40000 d) 55000

(ix) Choose the component that is not a part of the Final Accounts.

a) Trading Account b) Profit and Loss Account
c) Investment Account d) Balance Sheet

(x) Identify the current asset from the followings.

a) Cash b) Furniture
c) Patents d) Creditors

(xi) Discover the two accounts that are involved in the following transaction. Office expenses paid in cash.

a) Office expenses & cash b) Creditor & cash
c) Debtor & cash d) Office equipment & bank

(xii) Select the correct accounting convention from the following.

a) Going concern b) Matching
c) Conservatism d) Business entity

(xiii) Predict the two accounts that are involved in the following transaction. Land purchased through cash.

a) Purchase & cash b) Land & cash
c) Sales & cash d) Building & cash

(xiv) Trace the advantages of trial balance.

a) Easy to detect mathematical errors b) Ensuring accuracy of ledger
c) Easy to prepare final accounts d) All of these

(xv) Identify the book where we can find Ledger Folio.

a) Journal b) cash book
c) ledger d) all of these

Group-B

(Short Answer Type Questions) 3 x 5=15

2. Describe the golden rule of accounting. (3)
3. Explain the various types of GST. (3)
4. Explain the importance of preparing financial statement in the context of a company. (3)
5. Explain the following terms with examples: a) Loan & Advances; b) Outstanding expenses. (3)
6. Prepare a Trading Account and calculate gross profit in the books of Samrat Ltd. for the year ended 31.03.2025 using the following balances. Opening stock Rs. 2000, Purchase Rs. 10000, Commission Rs. 100, Sales Rs. 26000, Wages Rs. 2000, Carriage inward Rs. 1900, Other operating expense Rs. 2000. (3)

OR

Prepare a balance sheet in the books of Bikram Ltd. as on 31.03.2025 using the following balances. Furniture Rs. 10000, Car Rs. 100000, Machineries Rs. 20000, Capital Rs. 150000, Reserves Rs. 40000, Net Profit Rs. 5000, Cash Rs. 15000, Bank Balance Rs. 50000. (3)

Group-C

(Long Answer Type Questions) 5 x 6=30

7. State the following concepts: Going concern concept, Cost concept & Matching concept. (5)
8. 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, Opening stock - 100000, Freight - 2000, Sales - 3000000. (5)
9. Determine the major importance of computerized accounting system. (5)
10. Explain the various components of balance sheet. (5)

11. Illustrate the concept of cash flow statement. (5)
12. Prepare Profit and Loss account of Mr. Anuj Kumar from the following particulars for the year ended March 31, 2025: Gross Profit ₹4,50,000 Commission Received ₹40,000 Rent, tax, and Insurance ₹10,000 Export Duty ₹15,000 Rent Received ₹20,000 Discount Received ₹24,000 Audit Fees ₹5,000 Dividend Received ₹16,000 Depreciation ₹24,000 Administration Expenses ₹35,000 Selling Expenses ₹25,000 Printing and Stationery ₹15,000 Distribution Expenses ₹28,000 Office Expenses ₹32,000 Trade Expenses ₹50,000 General Expenses ₹25,000 Carriage outward ₹15,000 (5)

OR

Prepare the Trading Account of M/S Tripti Trading Co for the ending on 31st March 2025 using the given details: - Opening Stock as on 1st April 2024: ₹40,000 - Total Purchases: ₹4,00,000 - Total Sales: ₹3,80,000 - Carriage Inwards: ₹20,000 - Returns Outward: ₹80,000 - Wages and Salaries: ₹50,000 - Returns Inward: ₹20,000 - Closing Stock on 31st March 2025: ₹1,20,000 (5)

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