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(Printed Pages 4)

(20222)

Roll No.

BBA-I Sem.

18076(CV-III)

BBA Examination, Dec.-2021

Accounting and Financial Analysis

(BBA-104)

(New)

Time : 1½ Hours /

[Maximum Marks : 75

Note : Attempt **all** the sections as per instructions.

Section - A

(Very Short Answer Questions)

Note : Attempt any **two** questions. Each question carries **7.5** marks. Very short answer is required not exceeding 75 words. $2 \times 7.5 = 15$

1. Book keeping is not a part of accounting. Do you agree with this statement?
2. Give the rules of debit and credit?
3. Write five limitations of ratio analysis?
4. If net working capital for current year is ₹ 25,000, while it was (-) ₹ 40,000 in the previous year, What is the net change in working capital.
5. What is a Cash flow statement.

P.T.O.

Section - B

(Short Answer Questions)

Note : Attempt any **one** question out of the following 3 questions. Each question carries **15** marks. Short answer is required not exceeding 200 words.

$1 \times 15 = 15$

6. What is Accounting? Explain various functions of Accounting.
7. Journalise the following entries:
 - (i) Goods costing ₹ 500 given as charity.
 - (ii) Sold goods to Ram of ₹ 1,00,000, payable 25% by cheque at the time of sale and balance after 30 days of sale.
 - (iii) Received ₹ 975 from Vishnu in full settlement of his accounts of ₹ 1000.
 - (iv) Received a first and final dividend of 60 paise in a rupee from the official Receiver of Ranjan, who owed us ₹ 1000.
 - (v) Charge Interest on Drawings ₹ 1500.
8. Distinguish between a Balance sheet and Trial Balance.

Section - C

(Detailed Answer Questions)

Note : Attempt any **two** questions out of the following 5 questions. Each question carries **22.5** marks. Answer is required in detail. $2 \times 22.5 = 45$

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9. Explain various Accounting Principles in detail.
10. Ratio analysis plays an important role in the process of decision making in business. Examine this statement?
11. What is Funds Flow statement. What are its main objectives. Explain the procedure of preparation of Funds flow statement?
12. The following are the comparative balance sheets for the years 2019 and 2020. <https://www.ccsustudy.com>

Liabilities	2019 (₹)	2020 (₹)	Assets	2019 (₹)	2020 (₹)
Shareholders Funds:			Non Current Assets:		
Share Capital	70,000	74,000	Land	20,000	90,000
Reserve & Surplus	10,040	10,560	Goodwill	10,000	5,000
P & L A/c			Current Assets:		
Non Current Liabilities			Debtors	14,900	17,700
Debentures	12,000	6000	Inventories	49,200	42,700
Current Liabilities:			Cash	9,000	7,800
Creditors	10,360	11,840			
Reserve for discount on Debtors	700	800			
	1,03,100	1,03,200		1,03,100	1,03,200

The following additional information is available:

- (i) Dividends amounting to ₹ 3500 were paid during 2020.
- (ii) Land was purchased for ₹ 10000

and a sum of ₹ 5000 was written off against goodwill account.

- (iii) Debentures amounting to ₹ 6000 were paid.

Prepare a cash-flow statement on the basis of the above data.

13. Following balances are taken from the books of Shree Priya. Prepare Trading and profit and Loss Account and Balance Sheet for the year ended 31st March 2019.

Particulars.	₹	Particulars.	₹
Capital	12,00,000	Drawings	2,10,000
Opening stock	4,50,000	Plant and machinery	2,40,000
Furniture	15,000	Purchases	29,50,000
Sales	43,50,000	Insurances	15,000
Purchases Return	40,000	Sales Returns	70,000
Rent	50,000	Trade Expenses	20,000
Salaries	2,40,000	Wages	4,00,000
Bad Debts	10,000	6% Investments	5,00,000
Sundry Debtors	4,00,000	Sundry Creditors	1,90,000
Bills Payable	8,000	Cash	1,22,000
Advertisement Exps	60,000	Miscellaneous Income	12,000
Patents	48,000		

Adjustments:

- (i) Closing stock ₹ 7,50,000
- (ii) Depreciate Machinery by 10% and Furniture by 20%
- (iii) Wages ₹ 50,000 and Salaries ₹ 20000 are outstanding.
- (iv) Write off ₹ 50000 as further Bad Debts and create 5% Provision for Doubtful Debts. Also create a reserve for discount on Debtors @ 2%
- (v) Investments were made on 1st July 2018 and no interest has been received so far.