

D (Printed Pages 8)
 (20321) Roll No.
 BBA-I Sem.

18076

B.B.A. Examination, Dec.-2020

Accounting and Financial Analysis

(BBA-104)

(New)

Time : Three Hours] [Maximum Marks : 75

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

Section-A

(Very Short Answer Questions)

Note : Attempt all **five** questions. Each question carries 3 marks. Very short answer is required not exceeding 75 words. 5×3=15

1. What are the fundamental accounting assumptions. Discuss briefly.
2. What do you understand by working

P.T.O.

- capital? Explain its significance in brief.
3. Distinguish between current ratio and liquid ratio.
4. What are different types of Accounts? Explain the rules for journalising the transaction in these accounts.
5. Define 'Depreciation' and explain in brief the different methods of charging depreciation.

Section-B

(Short Answer Questions)

Note : Attempt any **two** questions out of the following three questions. Each question carries 7½ marks. Short answer is required not exceeding 200 words. 2×7½=15

6. Distinguish between Fund- Flow statement and Cash Flow statement. Give a specimen of cash flow statement.

18076/2

7. Name various accounting standards issued by the Institute of Chartered Accountants of India. Explain any five of them.

8. Journalise the following transactions:

(i) Started business with cash ₹ 1,00,000 and goods worth ₹ 50,000.

(ii) Purchased goods from Manoj ₹ 40,000.

(iii) Sold goods to Sohan for cash ₹ 30,000

(iv) Paid to Manoj ₹ 39,300 in full and final settlement of his account.

(v) Machinery purchased for ₹ 75,000 and paid ₹ 1,000 carriage to bring it at workshop.

(vi) Salary paid to Ramesh ₹ 2,500.

Section-C

(Detailed Answer Questions)

Note : Attempt any **three** questions out of the following five questions. Each question carries 15 marks. Answer is required in detail. $3 \times 15 = 45$

9. What is ratio analysis? Discuss the significance of various ratios for management. Explain any two ratios with formula.

10. Define goodwill and explain its different types. Discuss the various methods of valuation of goodwill.

11. Balance sheets of Richa Enterprises as on 31st December were as follows:

Liabilities	2018	2019	Assets	2018	2019
Creditors	40000	44000	Cash	10000	7000
Bank Loan	40000	50000	Debtors	30000	50000
Loan from Mr. X	25000	—	Stock	35000	25000
			Machinery	80000	55000
			Land	40000	50000
Capital	125000	153000	Buildings	35000	60000
	230000	247000		230000	247000

₹

During the year machinery costing 10000 (accumulated depreciation ₹ 3000) was sold for ₹ 5000. The provision for depreciation as on 1.1.2019 was ₹ 25000 and on 31.12.2019 ₹ 40000. Net profit for the year 2019 amounted to ₹ 45000.

You are required to prepare:

- (a) A schedule of changes in working capital
- (b) A fund-flow statement

12. From the following trial balance of Dr. R. K. Jain and additional information prepare. Trading & Profit and Loss Account and Balance Sheet for the year ended on 31st March 2019.

18076/5

P.T.O.

Particulars	Amount(Dr.)	Amount (Cr.)
Capital	-	100000
Furniture	20000	-
Purchases	150000	-
Debtors	2,00,000	-
Interest Earned	-	4000
Salaries	30000	-
Sales	-	3,21,000
Purchase Return	-	5000
Wages	20000	-
Rent	15000	-
Sales Return	10000	-
Bad Debts	7000	-
Creditors	-	120000
Drawings	24000	-
Discount Received	-	6000
Printing & Stationary	8000	-
Insurance	12000	-
Opening Stock	50000	-
Office Expenses	12000	-
Provision for depreciation	-	-
	5,58,000	5,58,000

18076/6

Additional information:

- (i) Closing stock was ₹ 60000
- (ii) Depreciate furniture by 10% on original cost.
- (iii) Goods used for private purpose ₹ 6000.
- (iv) Insurance amounting to ₹ 2000 is prepaid.
- (v) A provision for doubtful debt is to be created to the extent of 5% on debtors.
- (vi) Office expenses amounting ₹ 8000 are outstanding.

- (b) Liquid Ratio
- (c) Average Collection Period
- (d) Average Payment Period

13. The following data has been taken from the records of Kaveri Ltd. as on 30.6.2020-

	₹		₹
Cash	25,000	Debtors	12,000
B/P	3,000	Stock	8,000
Sales	53,000	Prepaid Exps	2,000
Purchases	34,000	Creditors	12,000
Purchase Return	750		

on the basis of above data, calculate:

(a) Working Capital Ratio

18076/7

P.T.O.

18076/8