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 **PRESIDENCY UNIVERSITY**

  **Bengaluru**

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| **End - Term Examinations – JANUARY 2025** |
| **Date:** 10 – 01- 2025 **Time:** 01:00 pm – 04:00 pm |

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| --- | --- |
| **School:** SOM-UG | **Program:** BBA/BBD/BBB |
| **Course Code :** COM2095 | **Course Name :** Business Accounting |
| **Semester**: I | **Max Marks**: 100 | **Weightage**: 50% |

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| **CO - Levels** | **CO1** | **CO2** | **CO3** | **CO4** | **CO5** |
| **Marks** | **11** | **26** | **26** | **26** | **11** |

**Instructions:**

1. *Read all questions carefully and answer accordingly.*
2. *Do not write anything on the question paper other than roll number.*

**Part A**

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| **Answer ALL the Questions. Each question carries 2 marks. (10Q x 2M = 20M)** | **Bloom's Level**  | **CO** |

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| --- | --- | --- | --- | --- |
| **1** | Define book-keeping. | **2 Marks** | **Remember** | **CO1** |
| **2** | What is the accounting equation? | **2 Marks** | **Remember** | **CO1** |
| **3** | State the purpose of a ledger in accounting. | **2 Marks** | **Remember** | **CO2** |
| **4** | Provide an example of a simple journal entry. | **2 Marks** | **Remember** | **CO2** |
| **5** | What type of transactions are recorded in the Sales Returns Book? | **2 Marks** | **Remember** | **CO3** |
| **6** | Differentiate between a Petty Cash Book and a Main Cash Book. | **2 Marks** | **Remember** | **CO3** |
| **7** | Recall the concept of Outstanding Expenses. | **2 Marks** | **Remember** | **CO4** |
| **8** | What is the purpose of preparing a Balance Sheet? | **2 Marks** | **Remember** | **CO4** |
| **9** | Define financial statement analysis. | **2 Marks** | **Remember** | **CO5** |
| **10** | Define trend analysis. | **2 Marks** | **Remember** | **CO5** |

**Part B**

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| **Answer ALL the Questions. Each question carries 7 marks. (5Q x 7M = 35M)** | **Bloom's Level**  | **CO** |
| **11** |  | Compare book-keeping and accounting with at least eight key points.  | **7 Marks** | **Understand** | **CO1** |
|  | **Or** |
|  **12** |  | Explain eight users of accounting information along with their needs.  | **7 Marks** | **Understand** | **CO1** |

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| **13** |  | Journalize the following transactions of Rupesh.1.Started business with cash ₹1,00,000.2.Purchased goods for cash ₹20,000.3.Sold goods for ₹30,000, out of which ₹10,000 was on credit.4.Paid rent ₹5,000.5.Withdrew ₹2,000 for personal use.Prepare the journal entries for the above transactions, and explain each entry briefly. | **7 Marks** | **Understand** | **CO2** |
|  | **Or** |
|  **14** |  | Prepare a trial balance from the following ledger balances:

| Particulars | Amount (₹) |
| --- | --- |
| Cash | 35,000 |
| Capital | 50,000 |
| Sales | 40,000 |
| Purchases | 30,000 |
| Salaries | 10,000 |
| Rent Paid | 15,000 |
| Debtors | 10,000 |
| Creditors | 20,000 |

  | **7 Marks** | **Understand** | **CO2** |

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| **15** |  | Summarize the Purchases Book and Sales Book, and provide examples of typical entries for each.  | **7 Marks** | **Understand** | **CO3** |
|  | **Or** |
|  **16** |  | Prepare a simple column cash book for the month of December 2023, based on the following transactions:

| Date | Transaction | Amount (₹) |
| --- | --- | --- |
| 01-Dec-2023 | Opening cash balance | 10,000 |
| 03-Dec-2023 | Received cash from Ramesh | 5,000 |
| 05-Dec-2023 | Paid rent | 3,000 |
| 08-Dec-2023 | Purchased stationery | 1,500 |
| 12-Dec-2023 | Sold goods for cash | 8,000 |
| 15-Dec-2023 | Paid electricity bill | 2,000 |
| 20-Dec-2023 | Withdrawn cash for personal use | 4,000 |
| 25-Dec-2023 | Received cash from Mahesh | 6,000 |

  | **7 Marks** | **Understand** | **CO3** |

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| **17** |  | Illustrate the Accounting treatment of Outstanding Expenses ,Closing stock and Prepaid Expenses in final accounts.  | **7 Marks** | **Understand** | **CO4** |
|  | **Or** |
|  **18** |  | Show the Accounting treatment of depreciation ,Interest on capital and Accrued Income in final accounts.  | **7** **Marks** | **Understand** | **CO4** |

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| **19** |  | Explain the nature and purpose of financial statement analysis with examples.  | **7 Marks** | **Understand** | **CO5** |
|  | **Or** |
|  **20** |  | Prepare a Comparative Income Statement for XYZ Ltd. for the years ending 2022 and 2023 using the following data:

| Particulars | 2022 (₹) | 2023 (₹) |
| --- | --- | --- |
| Revenue from Operations | 10,00,000 | 12,00,000 |
| Cost of Goods Sold | 6,00,000 | 7,50,000 |
| Gross Profit | 4,00,000 | 4,50,000 |
| Operating Expenses | 1,50,000 | 2,00,000 |
| Operating Profit | 2,50,000 | 2,50,000 |
| Other Income | 50,000 | 75,000 |
| Net Profit | 3,00,000 | 3,25,000 |

Calculate:1. Absolute change in each item.
2. Percentage change in each item.

 | **7 Marks** | **Understand** | **CO5** |

**Part C**

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| **Answer Any THREE Questions. Each question carries 15 marks. (3Q x 15M = 45M)** | **Bloom's Level**  | **CO** |

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| **21** | Record the following transactions in the Journal of ABC Enterprises for the month of March 2024:

| Date | Transaction |
| --- | --- |
| 01-Mar-2024 | Business started with cash ₹50,000. |
| 03-Mar-2024 | Opened a bank account and deposited ₹30,000. |
| 05-Mar-2024 | Purchased goods for cash ₹10,000. |
| 07-Mar-2024 | Sold goods to Mr. Ramesh on credit ₹12,000. |
| 10-Mar-2024 | Paid rent for office ₹5,000. |
| 12-Mar-2024 | Purchased furniture for office use ₹8,000 by cheque. |
| 15-Mar-2024 | Received cash from Mr. Ramesh ₹12,000. |
| 17-Mar-2024 | Paid electricity bill ₹2,000 in cash. |
| 20-Mar-2024 | Goods returned by Mr. Ramesh ₹1,000. |
| 22-Mar-2024 | Owner withdrew ₹3,000 cash for personal use. |
| 25-Mar-2024 | Purchased goods on credit from XYZ Traders ₹15,000. |
| 28-Mar-2024 | Paid XYZ Traders ₹10,000 by cheque. |

 | **15 Marks** | **Apply** | **CO2** |
| **22** | Prepare a Three-Column Cash Book for ABC Traders from the following transactions for March 2024:

| Date | Transaction |
| --- | --- |
| 01-Mar-2024 | Started business with cash ₹50,000 and deposited ₹30,000 into the bank.  |
| 03-Mar-2024 | Purchased goods for cash ₹10,000. |
| 05-Mar-2024 | Received ₹5,000 from Mr. Ramesh in full settlement of ₹5,500. |
| 08-Mar-2024 | Paid rent ₹2,000 by cheque. |
| 10-Mar-2024 | Withdrew ₹5,000 cash from bank for office use.  |
| 12-Mar-2024 | Sold goods for ₹15,000; received ₹10,000 in cash and the balance by cheque. |
| 15-Mar-2024 | Paid ₹8,000 to Mr. Kumar in full settlement of ₹8,500. |
| 17-Mar-2024 | Received ₹12,000 from Mr. Suresh by cheque. |
| 20-Mar-2024 | Bank credited ₹500 as interest. |
| 22-Mar-2024 | Paid office expenses ₹1,500 in cash. |
| 25-Mar-2024 | Deposited ₹5,000 into the bank.  |
| 28-Mar-2024 | Paid ₹4,000 by cheque to settle a liability of ₹4,200. |

 | **15 Marks** | **Apply** | **CO3** |
| **23** | Trial Balance of M/s Ram Traders as of 31st March 2024

| Particulars | Debit (₹) | Credit (₹) |
| --- | --- | --- |
|  Capital |  | 2,00,000 |
| Opening stock | 40,000 |  |
| Purchases | 1,50,000 |  |
| Sales |  | 2,50,000 |
| Debtors | 80,000 |  |
| Creditors |  | 10,000 |
| Bank Balance | 50,000 |  |
| Wages | 25,000 |  |
| Rent | 10,000 |  |
| Furniture and Fixtures | 50,000 |  |
| Cash in Hand | 5,000 |  |
|  | 4,60,000 | 4,60,000 |

Adjustments1. Outstanding wages amount to ₹2,000.
2. Depreciation on furniture is 10%.
3. Prepaid rent is ₹1,000.
4. Provide 5% for doubtful debts.
5. Closing stock₹10,000

Prepare: Trading and Profit & Loss Account and Balance Sheet. | **15 Marks** | **Apply** | **CO4** |
| **24** | ABC Ltd. provides the following data for the past ten years regarding their sales, profits, and wages:

| Year | Sales (₹ in lakhs) | Profits (₹ in lakhs) | Wages (₹ in lakhs) |
| --- | --- | --- | --- |
| 2014 | 50 | 5 | 8 |
| 2015 | 55 | 7 | 9 |
| 2016 | 60 | 8 | 10 |
| 2017 | 65 | 9 | 12 |
| 2018 | 70 | 10 | 14 |
| 2019 | 75 | 12 | 15 |
| 2020 | 80 | 14 | 16 |
| 2021 | 85 | 15 | 18 |
| 2022 | 90 | 16 | 20 |
| 2023 | 95 | 18 | 22 |

Requirements1. Calculate the trend percentages for each year, using 2014 as the base year for Sales, Profits, and Wages.
2. Interpret the trends for each variable and identify patterns (e.g., steady growth, fluctuations).
 | **15 Marks** | **Apply** | **CO5** |