

**2022**

**BBA(HM) 1st Semester Examination**

**BBA (Hospital Management)**

**Business Accounting**

PAPER — CC-2T

*Full Marks : 40*

*Time : 2 hours*

*The figures in the right-hand margin indicate marks.*

*Candidates are required to give their answers  
in their own words as far as practicable.*

*Illustrate the answers wherever necessary.*

Answer **all** questions.

1. Answer *any five* of the following questions :  
2×5=10

(a) What is GAAP?

(b) What is IFRS? State its importance.

( 2 )

- (c) Write short notes on :
- (i) Liability
  - (ii) Revenue
- (d) State any two differences between book-keeping and accountancy.
- (e) Distinguish between depreciation and amortisation.
- (f) What are the components of financial statements?
- (g) State the importance of preparing a Bank Reconciliation Statement.
- (h) What are the various types of accounting ratios? Explain any two.

2. Answer *any four* of the following questions :

- (a) Enter the following transactions in the journal of Joy : 5

On 1st April, 2022, Joy started a new business taking the following assets and liabilities of private connection :

Cash ₹500, bank balance ₹20,000, Machinery ₹18,000, furniture ₹3,500.

( 3 )

22nd April, 2022 Purchased stationery ₹4,500

6th May, 2022 Sold goods for cash ₹26,300

9th June, 2022 Purchased machinery by  
cheque ₹6,800

15th July, 2022 Salaries paid ₹12,000

(b) Prepare a Trading Account of M/s New Furniture Traders for the year ended 31st March, 2022 : 5

Opening inventory	₹1,20,000
Purchases	₹5,22,000
Carriage inwards	₹12,000
Wages	₹1,22,000
Sales	₹24,00,000
Returns inward	₹1,20,000
Returns outward	₹52,000
Closing inventory	₹1,80,000

(c) Following are the ledger balances of M/s Amie & Co as on 31.05.2022; prepare the Trial Balance as on that date : 5

Cash in hand ₹8,700; Cash at Bank ₹14,500;  
Office Rent ₹1,200; Wages ₹7,600; Salary

(Continued)

( 4 )

₹11,200; Purchases ₹25,000; Sales ₹28,000; Commission Paid ₹1,200; Purchases Return ₹600; Sales Return ₹800; Trade Debtors ₹4,500; Trade Creditors ₹5,800; Capital ₹40,000; Discount Received ₹300.

- (d) What are the objectives of preparing financial statements? 5
- (e) What is a cash flow statement? Classify the activities for the preparation of cash flow statement. 2+3=5
- (f) Briefly explain the methods of financial statement analysis. 5

3. Answer *any one* of the following questions :

(a) Write short notes on the following :  $2 \times 5 = 10$

- (i) Business entity concept
- (ii) Historical cost concept
- (iii) Matching concept
- (iv) Convention of conservatism
- (v) Dual aspect concept

( 5 )

(b) (i) Following is the Balance Sheet of Title Machine Ltd. as on 31st March, 2022 :

5

Particulars	Amount ₹
<b>I. Equity and Liabilities</b>	
1. Shareholder's funds	
(a) Share capital	24,00,000
(b) Reserves and surplus	6,00,000
2. Non-Current liabilities	
Long-term borrowings	9,00,000
3. Current liabilities	
(a) Short-term borrowings	6,00,000
(b) Trade payables	23,40,000
(c) Short-term provisions	60,000
<b>Total</b>	<b>69,00,000</b>
<b>II.Assets</b>	
1. Non-Current Assets	
(a) Fixed Assets	
Tangible assets	45,00,000
2. Current Assets	
(a) Inventories	12,00,000
(b) Trade receivables	9,00,000
(c) Cash & cash equivalents	2,28,000
(d) Short-term loans & advances	72,000
<b>Total</b>	<b>69,00,000</b>

Calculate Current Ratio and Quick Ratio.

( 6 )

- (ii) Distinguish between straight line method and written down value method of charging depreciation.

Kapoor & Company purchased a machine of ₹12,00,000 on 1st April, 2022 and paid ₹1,50,000 for transportation and ₹50,000 as installation charges. The machine is expected to have a salvage value of ₹6,00,000 at the end of its 5 year useful life. Calculate the amount of annual depreciation under straight line method.

2+3=5

