

**B.A.B DEGREE END SEMESTER EXAMINATION : NOVEMBER 2023****SEMESTER 1 : BUSINESS ANALYTICS****COURSE : 23U1CRBAB01 : BUSINESS ACCOUNTING***(For Regular 2023 Admission)*

Time : Three Hours

Max. Marks: 60

**PART A****Answer All (1 mark each)**

1. What is cash flow statement?
2. What is the role of a General Ledger in an AIS?
3. What is the primary purpose of a balance sheet?
4. List down the main classification of working capital.
5. What is the journal entry for rent paid to Mr. Kumar, the landlord ₹15,000
6. Give an example of a financial report generated by an AIS.
7. What is business?
8. What is the primary purpose of accounting?

**(1 x 8 = 8)****PART B****Answer any 6 (2 marks each)**

9. What are the sources and uses of funds in a business?
10. In the context of AIS, what is data storage and why is it important?
11. Discuss the "Financing" cycle and its importance in AIS.
12. State the accounting equation and explain its components.
13. Provide an example of a simple journal entry for a cash sale.
14. Define the concept of disclosure in accounting.
15. How do you calculate the gross profit margin in a trading account?
16. What items are typically included in the trading account?

**(2 x 6 = 12)****PART C****Answer any 4 (5 marks each)**

17. Explain the primary purpose of Funds Flow Statements and Cash Flow Statements.
18. From the following information prepare journal entry using imaginary figures  
Jan 1 - Commenced business with the capital  
Jan 2 - Brought furniture  
Jan 7- Wages paid  
Jan 9 - Commission received  
Jan 16 - Cash sales  
Jan 23 - Sold goods to Gopal  
Jan 25 - Withdrawal of cash for domestic use  
Jan 29 – Office rent paid
19. What are the advantages of using an automated AIS over a traditional one?
20. From the following information calculate gross profit and cost of goods sold.  
Opening stock           16000  
Purchase                 40000  
Purchase return         1500  
Direct expenses         3000  
Sales                     78000  
Sales return             2400  
Closing stock           13000

21. Explain the branches of accounting in detail.
22. How is the trial balance structured explain with the help of trial balance format.

(5 x 4 = 20)

**PART D**

**Answer any 2 (10 marks each)**

23. Journalise the following transactions

January 1 ABC Ltd started business with a capital Rs.200000  
 January 3 Purchased machinery for Rs. 30000  
 January 5 Brought Furniture for Rs. 40000  
 January 10 Commission paid Rs. 3000  
 January 12 Interest received Rs. 4000  
 January 16 Cash sale Rs. 40000  
 January 18 Cash deposited into bank Rs. 2000  
 January 19 Cash withdrawal from the bank for personal use Rs.2000  
 January 21 Sold goods to Nandini Rs. 3000  
 January 24 Purchase of goods for cash Rs. 5000  
 January 25 Sold goods to ABC Ltd and received cash Rs. 3000  
 January 30 Rent paid through cheque Rs. 1000

24. List and explain the functions of accounting.
25. Explain the preparation of fund flow statement with format.
26. From the given trial balance prepare Final accounts

Name of the Account	Debit	Credit
Capital		54,000
Opening stock	9,500	
Machinery	18,000	
Purchases	19,500	
Sales		30,750
Purchase return		630
Sales return	490	
Wages	1,100	
General expenses	590	
Discount	385	
Drawings	700	
Salaries	1,100	
Carriage inwards	530	
Vehicle	14,000	
Furniture	2,400	
Sundry creditors		4,035
Sundry debtors	3,950	
Cash in hand	540	
Cash at Bank	15,340	
Insurance	850	
Commission received		410
Rent	850	
<b>Total</b>	<b>89,825</b>	<b>89,825</b>

**Adjustments**

1. Closing stock Rs. 10,900
2. Wages outstanding Rs.350
3. Insurance prepared Rs.50
4. Depreciation on machinery 10%

(10 x 2 = 20)