

Roll No.

Total No. of Pages : 02

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BHSRM (2012 & Onwards) (Sem.-5)

**PRINCIPLES OF ACCOUNTING**

Subject Code : BHSRM-501

Paper ID : [A3139]

Time : 3 Hrs.

Max. Marks : 60

**INSTRUCTION TO CANDIDATES :**

1. SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.
2. SECTION-B contains FIVE questions carrying FIVE marks each and students has to attempt any FOUR questions.
3. SECTION-C contains THREE questions carrying TEN marks each and students has to attempt any TWO questions.

**SECTION-A**

**Q1 Answer briefly :**

- a) What is Journal? b) What is Real account? c) What are ratios? d) What is return inwards account? e) What are subsidiary books? f) Write the formula of Quick Ratio.
- g) What is the role of Liquidity ratios in depicting the financial position of a business?
- h) What is operating profit? i) What is purchase return book? j) What is Accounting equation?

## SECTION-B

Q2 Differentiate between cash book and journal proper.

Q3 Differentiate between comparative income statement and comparative balance sheet.

Q4 Explain the procedure of preparing sales returns subsidiary book.

Q5 How the interpretation of financial statements helps in smooth running of business?

Q6 Prepare Journal from the transactions given below :-

- a) Salary due to clerk Rs. 1000
- b) Goods given away as charity Rs.5000
- c) Bank interest credited Rs.2600
- d) Received Rs. 1200 of a bad debt written off last year.
- e) Goods destroyed by fire Rs.2000

## SECTION-C

Q7 From the following particulars extracted from the financial statements of XYZ Ltd.  
Compute-

- a) Current ratio      b) Liquid ratio      c) Debtor turnover ratio
- d) Creditor turnover ratio      e) Inventory turnover ratio

Particulars	Amt	Particulars	Amt
Opening stock	47,000	Debtors	42,000
Closing Stock	53,000	Cash	10,000
Sales less returns	2,52,000	Bank	8000
Prov. For bad debts	2000	B/R	15,000
Creditors	32,000	Prov. For tax	15,000
Loose tools	4000	B/P	29,000
Purchases	1,80,000	Securities	8000

Q8 What is meaning and types of financial statements and explain the techniques of financial analysis.

Q9 Define Trial Balance. Explain the importance of trial balance and types of errors connected with the trial balance.