

No. of Printed Pages : 5

BPOI-002

**DIPLOMA IN BUSINESS PROCESS
OUTSOURCING–FINANCE AND
ACCOUNTING
(DBPOFA)**

Term-End Examination

December, 2022

BPOI-002 : FUNDAMENTALS OF ACCOUNTING

Time : 3 Hours

Maximum Marks : 100

Note : (i) *There are **three** Sections.*

(ii) *All Sections are compulsory.*

Section—A

(Compulsory)

1. (a) Fill in the blanks : 1×5=5
- (i) Accounting records are significant only if the financial information contained therein is useful for _____.
- (ii) Action + _____ = Transaction.

P. T. O.

- (iii) The term _____ refers to being free from personal bias or free from accounting measurement.
- (iv) _____ is concerned with ascertainment of costs of various products and services.
- (v) Single entry system is also known as accounting for _____.
- (b) State whether the following statements are true or false : 1×5=5
- (i) Arithmetical accuracy can be checked by Trial Balance.
- (ii) Under single entry system, Personal Accounts and Cash Accounts are opened.
- (iii) In Financial Accounting, assets are recorded in the books at historical costs.

- (iv) Accounting principles have been developed in order to ensure uniformity in preparation of final accounts.
- (v) In dual aspect concept, every transaction is recorded twice in the books.

Section-B
(Compulsory)

2. What is meant by Accounting ? State the objectives of Accounting. 3, 7
3. Briefly explain the Money Measurement Concept and Dual Aspect Concept. 5, 5
4. Discuss the objectives and benefits of Accounting Standards in India. 5, 5

Section-C

*Note : Attempt any **three** questions including question number 5, which is compulsory. Each question carries 20 marks.*

5. Journalize the following transactions, post them into ledger and prepare Trial Balance :

2021		
January 1st	Goods purchased from Ram	85,000

February 7th	Interest received	6,000
February 24th	Rent paid to landlord	20,000
March 2nd	Goods returned to Ram	5,000
March 6th	Goods sold to Hari	50,000
March 10th	Cash received from Ritu	73,000
March 14th	Furniture purchased	24,000
March 24th	Discount received from Ram	4,000

6. Write short notes on the following :
- (i) Trading Account
 - (ii) Profit and Loss Account
 - (iii) Balance Sheet
 - (iv) Capital Expenditure
7. (a) Why are provisions made ? How are they treated in the books of accounts ? Explain.
- (b) What do you mean by secret reserves ? How are they created ? Explain.

8. Define financial schedule. State the various items of accounts in respect of which the schedules are provided as part of accounts.
9. How would you treat the following items while preparing the final accounts if the items are given in adjustments ?
 - (i) Making the sales of goods on sales or return basis
 - (ii) Provision for discount on Debtors
 - (iii) Commission payable to manager on Profit before or after charging the commission
 - (iv) Abnormal loss partly accepted by Insurance Company