

SECTION-B

2. Describe the relationship of capital budgeting to operations budgeting.
3. Pen down the advantages and disadvantages of leases.
4. Explain the importance of containing payroll costs.
5. Explain the purpose of the uniform system of financial reporting for spas.
6. Pen down the nine steps of accounting cycle.

SECTION-C

7. Discuss the need for business plan. Outline the information that should be included in a spa positioning statement.
8. What are ratios? Calculate and explain the ratios commonly used in spa industry with dummy figures.
9. The bank statement of usman brothers indicates as balance of Rs.4000 on January 30, 2017, the balance of a cash in bank account of usman brothers's ledger on that date is Rs.2850 .The following cause of disagreements are traced. So prepare the bank reconciliation statement.
 - a. The deposit made on 31 January, were not recorded in bank statement Rs. 300.
 - b. Outstanding cheques are Rs.960.
 - c. Bank collected Rs.500 from notes receivable
 - d. The bank credited the amount of cheque deposited Rs. 420 the original amount of cheque was Rs.440.
 - e. Collection charges on notes receivable Rs.20.
 - f. A cheque for Rs.680 issued in favour of owner has been recorded as Rs.640 by the bank.
 - g. A cheque for Rs.480 deposited into bank was recorded as 440 in cash receipt journal.
 - h. A cheque of Rs.750 issued for stationery purchased was recorded as Rs.700 in cash payment journal.

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