

**BBA-02**  
June - Examination 2016  
**BBA Pt. I Examination**  
**Fundamentals of Accounting**  
**Paper - BBA-02**

**Time : 3 Hours ]**

**[ Max. Marks :- 80**

**Note:** The question paper is divided into three sections A, B and C. Write answers as per given instructions.

**Section - A**

**8 × 2 = 16**

(Very Short Answer Questions)

**Note:** Answer **all** questions. As per the nature of the questions you delimit your answer in one sentence upto 30 words. Each question carries 2 marks.

- 1) (i) What is book-keeping?
- (ii) Point out the types of accounting conventions.
- (iii) What do you mean by personal accounts?
- (iv) Explain the meaning of credit note.
- (v) Point out examples of provision.
- (vi) What do you mean by deferred revenue expenditure?
- (vii) What is pro-rata allotment?
- (viii) Define accounting.

**Section - B****4 × 8 = 32**

(Short Answer Questions)

**Note:** Answer **any four** questions. Each answer should not exceed 200 words. Each question carries 8 marks.

- 2) Enter the following transactions in the book of Rakesh:  
June 10 Bought goods for Rajan Rs. 20,000.  
June 30 Paid salaries Rs. 40,000, Rent Rs. 10,000
- 3) What are the causes of differences between cash book and pass book?
- 4) Mention names of different methods of charging depreciation.
- 5) Explain in brief, the subject matter of profit and loss account.
- 6) Write notes on:
  - (i) Normal loss
  - (ii) Abnormal loss
- 7) Distinguish between sectional balancing and self balancing systems.
- 8) Explain stock and debtors method of accounting in case of dependent branch.
- 9) State the provisions of the Companies Act regarding redemption of preference shares.

**Section - C****2 × 16 = 32**

(Long Answer Questions)

**Note:** Answer **any two** questions. Each answer should not exceed 500 words. Each question carries 16 marks.

10) Explain the following terminology:

- (i) Balance Sheet
- (ii) Current Assets
- (iii) Current Liabilities
- (iv) Capital Expenditure

11) Rakshak Ltd. purchased on 1st January, 2010 a plant for Rs. 8,000. On 1st April, 2011, it purchased additional plant costing Rs. 4,800, the plant purchased on 1st January, 2010 was sold off for Rs. 4,200 and on the same date fresh plant was purchased at the cost of Rs. 7,500.

Depreciation is provided at 10% per annum on the diminishing balance method every year. Accounts are closed each year on 31st December. Show the plant account for 3 years.

12) Explain the significance and nature of final accounts.

- 13) The Chennai Branch of Hindustan Metal Co. Ltd, Kolkata sent the following Trial Balance to its head office prepared on 31st March, 2015

Trial Balance of Chennai Branch as on 31st March, 2015

<b>Particulars</b>	<b>Dr. Amount Rs.</b>	<b>Cr. Amount Rs.</b>
Cash in Hand	62,500	
Sundry Debtors	1,20,000	
Furniture and Fixtures	19,000	
Sundry Creditors		86,000
Head Office Account		1,05,000
Stock (Closing)	52,000	
Profit and Loss Account (Profit for the year		62,500
<b>Total</b>	<b>2,53,500</b>	<b>2,53,500</b>

Pass necessary journal entries for incorporation and prepare Chennai Branch A/c in the books of the H.O.

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