

BBA-02
December - Examination 2015
BBA - Ist Year Examination
Fundamentals of Accounting
Paper - BBA-02

Time : 3 Hours]

[Max. Marks :- 70

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

Section - A

7 x 2 = 14

(Very Short Answer Type Questions)

Note: Answer all 7 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) Define accounting.
- (ii) What do you mean by depreciation?
- (iii) Define compound entry.
- (iv) What is ledger?
- (v) Describe errors of principle.
- (vi) Why is del credere commission?
- (vii) What do you mean by self balancing system?

Section - B

4 x 7 = 28

(Short Answer Type Questions)

Note: Answer any 4 questions. Each answer should not exceed 200 words. Each question carries 7 marks.

- 2) Explain the rules of journalising various types of accounts.
- 3) What types of transactions are recorded in journal proper?
- 4) The debtors of a trader are of ₹ 20,00,000 as on 31st March, 2015. It has been decided to provide 10% for doubtful debts and 2% for discount on debtors. Give adjustment journal entry for provision for doubtful debts and also discount on debtors.
- 5) Give differences between receipt and payment account and cash book.
- 6) Explain difference between consignment and sale.
- 7) How inter departmental transfers are dealt with in departmental accounting?
- 8) How accounting is done in books of head office when goods are sent to branch at wholesale price?
- 9) What will be the maximum permissible discount on reissue of shares, if these shares originally issued at discount?

Section - C

2 x 14 = 28

(Long Answer Type Questions)

Note: Answer any 2 questions. Each answer should not exceed 500 words. Each question carries 14 marks.

10) Discuss the under mentioned concepts and conventions of accounting:

- (i) The accrual concept
- (ii) The materiality convention and
- (iii) The realisation concept

11) Prepare a Bills Receivable Book from the following transactions:

2015

June 10 Received from Rahul his acceptance at 3 months for
₹ 6,000/-

June 25 Drew a Bill on Ranjan at 4 months for ₹ 30,000/-

June 30 Pranjal gave his acceptance at 5 months for
₹ 9,000/-

12) Discuss the different basis of apportionment of indirect expenses while preparing departmental accounts.

- 13) A head office sends goods to its branch at cost plus 00%. Goods are sold to customers at cost plus 100%. However sales at H.O. are made at wholesale price. From the following particulars find out profit made by H.O. and branch on wholesale price basis:

	H.O.	Branch
Opening stock	20,000	—
Purchases	2,00,000	—
Goods sent to branch (at invoice price)	90,000	—
Sales	2,70,000	90,000
Expenses	10,000	4,000
