

BBA-02
December – Examination 2021
B.B.A. (Part I) Examination
Fundamentals of Accounting
Paper : BBA-02

Time : 1½ Hours] [Maximum Marks : 70

Note :- The question paper is divided into two Sections A and B. Write answers as per the given instructions.

Section-A **4×3½=14**

(Very Short Answer Type Questions)

Note :- Answer any *four* questions. As per the nature of the question delimit your answer in one word, one sentence or maximum up to **30** words. Each question carries 3½ marks.

1. (i) During the financial year 2009-10 Shyam had cash sales of ₹ 2,70,000 and credit sales of ₹ 1,80,000. His expenses for the year were ₹ 2,10,000 out of which 90,000 is still to be paid. Find out the net income according to accrual basis of accounting.
- (ii) What do you mean by Real Accounts ?
- (iii) Explain Separate Entity Concept.
- (iv) Mohan started a business with cash ₹ 5,00,000. How will you write this transaction in the Accounting Equation ?
- (v) What do you mean by Double Column Cash Book ?
- (vi) Write any *two* objectives of preparing the Trial Balance.
- (vii) Write any *two* objectives of Charging Depreciation.
- (viii) What do you mean by Outstanding Expenses ?

Section-B**4×14=56****(Short Answer Type Questions)**

Note :- Answer any *four* questions. Answer should not exceed **200** words. Each question carries 14 marks.

2. What do you mean by accounting process ? What are the steps involved in accounting process ? Explain.
3. Prepare a Bank Reconciliation Statement as on 30th September, 2009 from the following particulars :

	₹
(i) Bank balance as per the pass-book	10,000
(ii) Cheques deposited into the bank, but no entry was passed in the cash book	500
(iii) Cheque received and entered in the cash book but not sent to bank	1,200
(iv) Credit side of the cash book bank column cast short	200
(v) Insurance Premium paid directly by the bank under the standing advice	600

(vi) Bank charges entered twice in the cash book	20
(vii) Cheque issued, but not presented to the bank for payment	500
(viii) Cheque received entered twice in the cash book	1,000
(ix) Bill discounted dishonoured not recorded in the cash book	5,000

4. Record the following transactions in the journal of Damodar Prasad :

2010

May 1	Damodar Prasad started business with cash ₹ 80,000; Furniture ₹ 20,000; Machinery ₹ 35,000 and Stock ₹ 10,000.
May 3	Purchased goods for cash ₹ 25,000.
May 5	Sold goods to Rajeev of the list price of ₹ 20,000 at trade discount of 5%.
May 6	Goods purchased from Jitendra of ₹ 15,000 less trade discount 10%.

- May 7 Rajeev returned goods worth ₹ 4,000.
- May 8 Returned goods to Jitendra worth ₹ 3,000.
- May 10 Withdrew cash ₹ 500 and goods of ₹ 2,000 for personal use.
- May 12 Received commission ₹ 500.
- May 15 Received from Rajeev ₹ 14,500 in full settlement of his account.
- May 16 Cash paid to Jitendra in full settlements ₹ 10,000.
- May 18 Opened a bank account with the bank of Rajasthan Limited ₹ 30,000.
- May 19 Furniture purchased of ₹ 10,000 and payment made by cheque.
- May 21 Paid telephone rent ₹ 1,000.
- May 25 Received an order for goods from Rakesh.
- May 28 Cash sales ₹ 10,000 and sales tax realised @ 10% on sales.
- May 31 Paid for Rent ₹ 1,100, Salaries ₹ 3,600 and Insurance premium ₹ 800.

5. On 1st January, 2008, M/s Atul & Bros. purchased 5 washing machines for ₹ 15,000 each. They sold on January 1, 2009 one machine for ₹ 12,500. They decided to write off depreciation @ 10% on the Straight Line Method. Prepare washing machine account, washing machine disposal account and provision for depreciation account for two years. Accounts are closed on 31st December every year.
6. The following trial balance was related with the books of Agrawal & Sons as on 31st March, 2010 :

Particulars	Dr (₹)	Cr (₹)
Apprentice Premium		25,000
Bank Overdraft		60,000
Cash in Hand	25,000	
Commission Received		10,000
Debtors and Creditors	2,00,000	1,50,000
Drawing and Capital	25,000	5,00,000

Furniture	45,000	
Heating and Lighting Office	10,000	
Lease hold Property	4,00,000	
Opening Stock	1,50,000	
Printing & Stationery	5,000	
Provision for doubtful debts		20,000
Purchase and Sales	3,40,000	6,00,000
Returns Inwards	15,000	
Salaries	85,000	
Travelling Expenses	15,000	
Wages & Freight	50,000	
Total	13,65,000	13,65,000

Prepare Trading, Profit & Loss Account for the year ending 31, March, 2010 and balance sheet as on that date. Closing stock for the year was ₹ 75,000.

7. What is meant by Subsidiary Books ? Describe the advantages of keeping subsidiary books.

8. What do you understand by consignment of goods ? Explain the difference between consignment and sale.
9. What is 'Share Capital' ? Explain the meaning of different types of share capital. How is it shown in the balance sheet ?