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## **BBA-02**

**December – Examination 2020**

### **BBA (Part I) Examination**

**Fundamentals of Accounting**

**Paper : BBA-02**

*Time : 2 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**

**7×2=14**

**(Very Short Answer Type Questions)**

*Note :-* Answer all questions. As per the nature of the question delimit your answer in one word, one sentence or maximum **30** words. Each question carries 2 marks.

1. (i) What is Going Concern Concept ?
- (ii) What do you mean by Accounting ?
- (iii) What do you know about error of Commission ?
- (iv) What is the main purpose of Bank Reconciliation Statement ?

- (v) What is Income and Expenditure Account ?
- (vi) What do you mean by Consignment ?
- (vii) What is Issued Capital ?

**Section-B** **4×14=56**

**(Short Answer Type Questions)**

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

2. What is a Cash Book ? What are the different types of cash book ? How is it balanced ?
3. Prepare the sales book of RVS Ltd. from the following transactions 2020 :
  - Jan. 01 Sold to Nirmala, Spices worth ₹ 800 less 10% trade discount.
  - ” 04 Sold to Sadhana, Sugar worth ₹ 400 extra charges ₹ 10
  - ” 05 Sold to Mohan, Wheat worth ₹ 200 forwarding expenses ₹ 15
4. Mention the different factors causing depreciation.
5. “A company Balance Sheet is a major financial statement.” Explain and elaborate what information does it contain ?

6. What do you mean by ‘Provision for Doubtful Debts’ ? Explain briefly.
7. Why adjustment entries are required to be made at the time of preparing final account ? Give examples of any *two* such adjustment entries.
8. What is Self-Balancing System ? What are the advantages of self-balancing system ?
9. On 1 July, 2016, a company purchased a plant for ₹ 20,000. Depreciation was provided at 10% per annum on straight line method on 31st December every year with effect from 1-1-2018, the company decided to change the method of depreciation to diminishing balance method @ 15% p.a. On 1-7-2019, the plant was sold for ₹ 12,000. Prepare Plant Account from 2016 to 2019.