

BBA-02

June – Examination 2022

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.

BBA-02/7 (1) T-393 Turn Over

1. (i) What is Accounting ?
- (ii) What is the rules in Nominal Account ?
- (iii) What do you know about Materiality Convention ?
- (iv) What is Depreciation ?
- (v) What is Subsidiary Book ?
- (vi) What is the balance method of preparing Trial Balance ?
- (vii) What do you mean by Accrued Income ?
- (viii) Ram paid ₹ 10,000 for Fire Insurance and ₹ 2,000 for Life Insurance. How will you write this transaction in the Accounting Equation ?

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 are the scope and objectives of Accounting ?
How is Accounting different from Book Keeping ?

BBA-02/7 (2) T-393

3. Journalise the following transactions :

2022

- Oct. 1 Jain commenced business with ₹ 80,000 and brought furniture worth ₹ 10,000.
- Oct. 4 Paid into Bank ₹ 76,000.
- Oct. 5 Goods purchased from Ramesh ₹ 18,000.
- Oct. 7 Goods sold to James on credit ₹ 12,000.
- Oct. 8 Bought Stationery ₹ 400.
- Oct. 10 Goods sold to Ram & Co. for cash ₹ 400.
- Oct. 11 Paid Travelling Expenses to Managers ₹ 1,200.
- Oct. 13 Withdrawn cash ₹ 2,000 from bank for personal use.
- Oct. 15 Withdrawn from the bank ₹ 6,000 for office use.

Oct. 21 Paid clearing charges ₹ 800.

Oct. 24 Received cheque of ₹ 12,000 from James.

Oct. 30 Interest credited by bank for ₹ 400.

Oct. 30 Paid ₹ 600 by cheque to owner's house being the house rent of Jain.

Oct. 30 Bank charges ₹ 50 debited to Jain A/c.

4. From the following Balances Prepare Trading, Profit and Loss A/c. and Balance Sheet as at 31st March, 2022 :

Trial Balance

Particulars	Dr (₹)	Cr (₹)
Capital		8,000
Drawing	6,000	
Plant and Machinery	20,000	
Addition in Plant and Machinery	5,000	

Opening Stock	15,000	
Purchase	82,000	
Return Inward	2,000	
Sundry Debtors	20,600	
Furniture & Fixtures	5,000	
Freight and Duty	2,000	
Carriage Outward	500	
Rent, Rates and Taxes	4,600	
Printing and Stationery	800	
Trade Expenses	400	
Sundry Creditors		10,000
Sales		1,20,000
Returns Outward		1,000
Postage and Telegrams	800	
Reserve for Doubtful Debts		400

Discounts		800
Rent of Premises Sublet		1,200
Insurance Charges	700	
Salaries and Wages	21,300	
Cash in hand	6,200	
Cash at Bank	20,500	

Closing Stock at the end was valued at ₹ 14,600.

5. What do you mean by Accounting Concept ?
Mention any *five* Accounting Concepts and explain it.
6. What are the causes of Depreciation ? Enumerate different methods for providing depreciation.
7. "The agreement of a Trial Balance is not a conclusive proof of accuracy of the books of accounts." Explain.

8. What do you understand by adjustments in Final Account ? How are treatment of provision for doubtful debts and provision for discount on debtors done in Final Account ?
9. What do you know about Bank Reconciliation of statement ? How Bank reconciliation statement is prepared ? Explain fully.