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(20115) Roll No.

B.B.A.-I Sem.

18039

B.B.A. Examination, Dec. 2014

Book-keeping and Basic Accounting

(BBA-104)

(New)

Time : Three Hours] [Maximum Marks : 75

Note: Attempt questions from each section as per instructions. Use of calculator is allowed.

Section-A

(Very Short Answer Questions)

Note: Attempt all the **five** questions of this section. Each question carries 3 marks. Very short answer is required not exceeding 75 words. $3 \times 5 = 15$

P.T.O.

1. What do you mean by the term "book keeping"?
2. What is dual aspect of accounting?
3. Differentiate between bill of Exchange and Promissory notes.
4. What is depreciation? Give the names of any three methods of it.
5. What is the difference between shares and debentures?

Section-B

(Short Answer Questions)

Note: This section contains **three** questions, attempt any **two** questions. Each question carries $7\frac{1}{2}$ marks. Short answer is required not exceeding 200 words. $7\frac{1}{2} \times 2 = 15$

6. Describe the basic accounting principles and conventions.

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7. What is bank reconciliation statement? How it is prepared?
8. Discuss the conditions of redemption of Preference Shares.

Section-C

(Detailed Answer Questions)

Note: This section contains **five** questions, attempt any **three** questions. Each question carries 15 marks. Answer is required in details. $15 \times 3 = 45$

9. Use accounting equation to show the effect of the following transactions on assets liabilities and capital and also show the balance sheet.

Rs.

- (1) Sparsh commenced business with cash 50,000

- (2) Purchased goods for cash Rs.15000/- and credit Rs. 10,000/-
- (3) Sold goods for cash Rs. 25000/- Costing Rs. 20,000/-
- (4) Brought furniture on credit 5000/-
- (5) Brought refrigerator for Personal use 6000/-
- (6) Cash withdrawns for personal use 2000/-
- (7) Rent Paid 1000/-
- (8) Sold goods on credit, costing Rs. 5000/- 7000/-
- (9) Paid cash to a creditor 7000/-
- (10) Interest on capital @ 5%

10. From the following Trail balance and additional information, you are required to prepare Trading and P & L A/C and Balance sheet:

	Rs.		Rs.
Capital	20000	Sundry Debtor	5400
Sundry Creditors	2800	Drawings	1800
Sales	29000	Machinery	7000
		Wages	10000
		Purchase	19000
		Opening stock	4000
		Bank Balance	3000
		Carriage Inward	300
		Salaries	400
		Rent & tax	900
	<u>51800</u>		<u>51800</u>

Additional Information :

	Rs.
(i) Closing stock	10000
(ii) Wages Prepaid	400

- (iii) Outstanding Salaries 100
 (iv) Charge depreciation on machinery at 10%

11. Monika Ltd. issued on 1st March 2012, 25000 equity shares Rs. 100 each at premium of Rs. 25 per share payable as follows:

On application Rs. 25

On allotment Rs. 75 (Including Premium) and the balance as and when required.

The company went on allotment on March 15 allotment money was received on March 31. Show Journal entries for recording the above transactions and show the company's balance sheet.

12. What is difference between Capital and Revenue Expenditure? Give some examples when revenue expenditure becomes capital expenditure.
13. What are debentures? What are their various classes?