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(21216) Roll No.....

B.B.A.-I Sem.

18039

B.B.A. Examination, Dec. 2016

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. $3 \times 5 = 15$

1. Define Bank Reconciliation Statement.
2. Explain the Term Capital.
3. Is Depreciation a non cash expenditure? Explain.

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4. Explain the term Redemption of Preference Share.
5. Define Promissory note.

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. What is Under subscription and Over subscription of shares?
7. What is the Double Entry and Single Entry system of accounting?
8. Differentiate between Trade discount and Cash discount.

Section-C

(Detailed Answer Questions)

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

9. A company whose accounting year is the calendar year, purchased on 1st April, 2004, machinery costing Rs. 50,000. It Purchased another machinery on 1st October, 2004, costing Rs. 40,000 and on 1st July, 2005,

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costing Rs. 20,000. On 1st January, 2006 one third of the machinery which was installed on 1st April, 2004, become obsolete and was sold for Rs. 4,000. Show how the machinery account will appear It Depreciation is charged as per Fixed Instalment Method at 10% p.a.

10. What do you understand by a Bill of Exchange? Explain the importance of a bill of exchange for a businessman.
11. Define Ledger. Discuss its importance. Explain the format of a ledger account. Also explain the rules regarding posting of transactions in to ledger.
12. From the following information, calculate the value of closing stock and cost of goods sold according to:
 - (i) Last in first out method
 - (ii) First in first out method
 - (iii) Average cost method

Opening stock	60 Units @ Rs.11	= Rs. 660
Purchases	100Units @ Rs. 12	=Rs.1,200
	100Units @ Rs. 14	=Rs.1,400
	40Units @ Rs. 16	=Rs. 640
	300 Units	Rs. 3,900

Units sold: 220, closing stock: 80 units.

13. From the following Trail Balance and additional information, you are required to prepare Trading and Profit and Loss Account and Balance Sheet.

	Debit (Rs.)	Credit (Rs.)
Capital	--	20,000
Sundry Debtors	5,400	-
Drawings	1,800	-
Machinery	7,000	-
Sundry Creditors	-	2,800
Wages	10,000	-
Purchases	19,000	-
Opening Stock	4,000	-
Bank Balance	3,000	-
Carriage Inward	300	-
Salaries	400	-
Rent & Tax	900	-
Sales	-	29,000
	51,800	51,800

Additional Information :

- (i) Closing Stock Rs. 10,000
- (ii) Wages prepaid Rs. 400
- (iii) Outstanding Salaries Rs. 100
- (iv) Depreciation on Machinery @ 10%.