

D (Printed Pages 7)
(21121) Roll No.
B.B.A.-Ist Sem.

18039 (CV-II)
B.B.A. Spl. and Back Paper
Examination, November-2021
BOOK-KEEPING AND BASIC
ACCOUNTING

(BBA-104)

Time : 1½ Hours | [Maximum Marks : 75

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

Section-A

(Very Short Answer Type Questions)

Note : Attempt any **two** questions. Each question carries 7.5 marks. Very short answer is required. $2 \times 7.5 = 15$

1. What is 'Double Entry System' of accounting?

P.T.O.

- (ii) Prepaid rent is Rs. 2,000.
(iii) Due on account of repairs of building Rs. 5,000.
(iv) Interest receivable on investment Rs. 1,000.
(v) Interest on Bank overdraft due Rs. 500 which is yet to be accounted for.

8. Distinguish between 'straight line method' and 'Diminishing balance method' of providing depreciation. Which one of the above two methods would you recommend to provide depreciation on Plant and Machinery?

Section-C

(Long Answer Type Questions)

Note : This section contains **five** questions. Attempt any **two** questions. Each question carries 22.5 marks. Answer is required in detail. $2 \times 22.5 = 45$

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P.T.O.

2. What are the Preference Shares?
3. What do you mean by cash book? Give a specimen of three columns Cash Book.
4. What is 'Reserve Capital'.
5. What is Promissory notes? Give a specimen of promissory note.

Section-B

(Short Answer Type Questions)

Note : This section contains **three** questions. Attempt any **one** question. Each question carries 15 marks. Short answer is required not exceeding 200 words. $1 \times 15 = 15$

6. What is Share? How does it differ from Debenture?
7. Account Books of Harshit & Sons are closed on 31st March, 2020. Journalise the following adjustments :
 - (i) Salary due to the manager Rs. 10,000.

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- (v) Bank interest credited by the bank Rs. 400.
- (vi) Bank charges Rs. 100.
- (vii) Directly deposited by a customer Rs. 4000.

11. What do you mean by 'Capital Reserve'? How is it created? What are its uses?
12. According to the principles of 'Double Entry System,' every debit has corresponding credit.' Explain clearly and discuss the merits of double entry system also.
13. From the following Trial Balance of Utkarsh and Bros. for the year ended 31st March, 2020 and additional information given. Prepare Trading and P & L A/c and Balance Sheet as at 31st March, 2020 :

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P.T.O.

Trial Balance (as at 31st March, 2020)

| Particulars | Amt. (Rs.) | Particulars | Amt.(Rs.) |
|--------------------|------------|-----------------|-----------|
| Opening Stock | 45,000 | Capital Account | 80,000 |
| Drawings | 6,000 | Sales | 3,10,000 |
| Purchases | 2,60,000 | Commission | 1,300 |
| Furniture | 10,000 | Provision for | |
| | | Bad Debts | 900 |
| Sundry Debtors | 40,000 | Sundry | |
| Freight and octroi | 4,600 | Creditors | 20,000 |
| Trade expenses | 500 | | |
| Salaries | 5,500 | | |
| Rent | 2,400 | | |
| Advertisement | 5,000 | | |
| Insurance Premium | 400 | | |
| Discount | 200 | | |
| Bad debts | 1,600 | | |
| Cash in hand | 5,200 | | |
| Bank Balance | 5,800 | | |
| Goodwill | 20,000 | | |
| | 4,12,200 | | 4,12,200 |

9. "Trial Balance is a proof of only arithmetic accuracy of the books of accounts." Explain this statement and point out the errors which are not disclosed by Trial Balance.
10. From the following particulars of Mr. Aryan, prepare Bank Reconciliation Statement as on 31st March, 2020 :
- The cash book shows a bank balance of Rs. 7800.
 - Cheque deposited in bank but not credited Rs. 3000.
 - Cheque issued but not yet presented for payment Rs. 1500.
 - Insurance premium paid by the bank Rs. 2000.

Additional Information :

- (i) Stock on 31st March, 2020 was valued Rs. 53,000.
- (ii) Salaries have been paid only for 11 months.
- (iii) Commission earned but not yet received amounted to Rs. 122.
- (iv) Provision for bad debts is to brought upto 3% of sundry debtors.
- (v) Furniture to be depreciated by 10%.