Dr. Babasaheb Ambedkar Open University Term End Examination January – 2023

BBA/BBAHT/BBAIB/DBA Course Date 01-Feb-2023 : BBA - 102(OLD/NEW)/ BBAHT-102 Time **Subject Code** 03:45pm to 06:00pm (OLD)/BBAIB - 102/DBA-102 **Subject Name Basics of Accounting** Duration 03 Hours Max. Marks 70 Section A Answer the following (Attempt any three) (30)1. What is the need for Accounting? 2. What is a Cash book? How does it help the business? 3. Discuss the accounting conventions in detail. 4. What errors are disclosed by Trail balance? 5. Who are the users of accounting information? Section B **Answer the following (Attempt any four)** (20)Discuss any 5 reasons of difference between balance as per bank statement and balance 1. as per cash book. Differentiate between capital expenditure and revenue expenditure. 2. 3. How are values measured in accounting? 4. What is a contra entry? 5. What is the purpose of book keeping? 6. What are the different paracteristics of depreciation? **Section C Part – A (Multiple Choice Questions)** (10)1 , a principle means "a general law or rule adopted or professed as guide to action: a settled ground or basis of conduct or practice". A ALCPA (US) В AICPA (US) \mathbf{C} AICP (US) D AIDPA (US) 2 A fixed amount of money for a fixed period which may be a week or a month and it is allocated towards meeting the petty small daily expenses. Which is this method of petty cash? A Imprest system of petty cash Simple system of petty cash: В Systematic system of petty cash D None of the above 3 Accounts of each property or assets acquired by the firm named _____. These accounts are both tangible and intangible. Real accounts Personal accounts A

D Fictitious accounts

 \mathbf{C}

Nominal accounts

| 4 | In this system, a trial balance is prepared with both the balances along with total of the | | | |
|----|--|--------|--------------------------------------|------|
| | various accounts. Which system is being | talke | d about? | |
| | A Total Method | В | Balance Method | |
| | C Compound Method | D | None of the above | |
| 5 | It is a loss arising due to sale of fixed asset or loss due to raising funds for business | | | |
| | purpose is called | | | |
| | A Capital Profit | В | Notional Loss | |
| | C Capital Loss | D | Notional Profit | |
| 6 | Some assets decline in value proportionate to the quantum of production or use as for example mines, quarry, etc. it is called | | | |
| | A Depletion | В | Deforestation | |
| | C Depreciation | D | None of the above | |
| 7 | The amount that is likely to receive when | asset | | |
| | called | | | |
| | A Residual Value | В | Sale value | |
| | C Pending amount | D | None of the above | |
| 8 | The main objective of this Account is to a | ascert | rain gross profit or gross loss of a | |
| | business during an accounting period – usually a year.ie. it measures the overall | | | |
| | performance of the business during a particular period. The name of the account is | | | |
| | | | ⊘ ⁺ | |
| | A Balance sheet | В | Trading account | |
| | C Cash flow statement | D | Income statement | |
| 9 | It not only lists the items controlled or owned by the company, but also includes the | | | |
| | debts owed by the organization. What is being talked about? | | | |
| | A Balance sheet | В | Trading account | |
| | C Cash flow statement | D | Income statement | |
| 10 | are those capital assets, which do not have any physical existence. | | | |
| | A Fixed Assets | В | Fictitious assets | |
| | C Intangible assets | D | Current assets | |
| | Part – B (I | Do as | Directed) | (10) |
| 1 | Fictitious assets | | | |
| 2 | Deferred Revenue Expenditure | | | |
| 3 | Sales Return | | | |
| 4 | Contingent assets | | | |
| 5 | Payment voucher | | | |
| 6 | Capital Expenditure | | | |
| 7 | Long term liabilities | | | |
| 8 | Capital | | | |
| 9 | Revenue Profit | | | |
| 10 | Delivery orders | | | |
