

BBA-104(N)

Roll No. :

B.B.A.(N) (First Semester) EXAMINATION, Dec., 2015

(New Course)

Paper Fourth

BOOK-KEEPING AND BASIC ACCOUNTING

Time : Three Hours]

[Maximum Marks : 70

[Min. Pass Marks : 21

Note ; Section A is compulsory and short answer type. Attempt four questions selecting at least two questions each from Section B and Section C. Section B and C are long answer type.

SECTION - A

1. Write short Notes on the following: 3 marks each question
- Differentiate between "Primary" and "Secondary" books of accounts?
 - Explain the 'Cost' concept and 'Revenue Recognition' concept of accounting?
 - Explain the different types of accounting?
 - What do you understand by 'Tangible' and 'Intangible' assets?
 - Explain the accounting treatment of 'Trade' and 'Cash' discounts?
 - Prepare the horizontal format of a Balance Sheet?
 - Explain the LIFO and FIFO methods of inventory valuation?
 - The written-down value (W.D.V.) of an asset is Rs. 20,000 at the beginning of a particular year and the rate of depreciation (on W.D.V. basis) is 10 percent per annum. Calculate the W.D.V. of the asset after 2 years.

- i. What do you understand by 'Convertible' and 'Non-convertible' debentures?
- j. Differentiate between a 'Bill of Exchange' and a 'Promissory Note'.

SECTION - B

Note : Attempt any two (2) questions 10 marks each question

2. Who are the different users of accounting information and what is the type of information required by them?
3. Pass journal entries for each of the following transactions:
 - i) Proprietor introduced cash of Rs. 5,00,000 and his domestic furniture worth Rs. 50,000 to start a business.
 - ii) Proprietor purchased an old machinery of Rs. 20,000 for the purpose of using the same in his business and incurred repair expenses Rs. 5,000 for making the same usable.
 - iii) Proprietor withdrew cash of Rs. 1,000 from business to pay for personal expenses.
 - iv) Proprietor purchased goods of Rs. 10,000 invoice value for cash. Trade & Cash discounts are receivable @ 10% & 5% of invoice price respectively.
4. M/s. Bhajanlal & Sons entered into the following transactions in the month of November, 2015. Record the same in a 'three columnar Cash Book'. Also find out the balance of the Cash book at the end of the month.
 - i. Balances in the beginning of the month: Cash in hand Rs. 90,000; Cash at bank Rs. 50,000
 - ii. October 3 - Purchased goods worth Rs. 50,000 from Sunder. Trade discount allowable @ 10%. 20% payment was made in cash.

- iii. October 5 - Sold goods to Rajan on credit for Rs. 30,000.
- iv. October 11 - Settled Sunder's bill for Rs. 35,500.
- v. October 15 - Deposited Rs. 5,000 in bank.
5. Prepare a Trial Balance of Ram Stores as on March 31, 2015 from the following information: Cash in hand Rs. 5,000; Cash at bank Rs. 29,000; Capital Rs. 1,40,000; Drawing Rs. 18,000; Purchase Rs. 1,20,000; Sales Rs. 1,64,000; Plant & Machinery Rs. 70,000; Furniture Rs. 24,000; Debtors Rs. 36,400; Creditors Rs. 33,200; Opening Stock Rs. 17,400; Wages Rs. 13,400; Rent paid Rs. 10,000; Salary Rs. 16,800; Bills payable Rs. 22,800

SECTION - C

Note : Attempt any two (2) questions 10 marks each question

6. The following are the details of M/s Trivedi Store:

1-4-2015	Opening Stock	Nil
1-4-2015	Purchases	200 Units @ Rs. 60 per unit
10-4-2015	Issued	100 units
14-5-2015	Purchases	400 units @ Rs. 80 per unit
18-5-2015	Issued	200 units
20-5-2015	Issued	200 units

- Find out the value of stock as on 31/05/20015 under two different methods viz., Weighted Average method and FIFO.
7. What do you understand by a 'Bank Reconciliation Statement'? What purpose does it serve? Prepare the format of a Bank Reconciliation Statement.
8. Journalize the following transactions in the books of Mr. Gulshan:
 - i. Mr. Dinesh's promissory note for Rs. 70,000 which Gulshan had endorsed in favour of Mr. Mahesh dishonored.

- ii. Mahesh paid Rs. 1,000 as noting charges. Gulshan pays Mahesh by cheque.
 - iii. Interest of Rs. 1,500 becomes due from Dinesh for renewal of his acceptance.
 - iv. Gulshan accepts from Dinesh another bill for the amount due.
9. ABC Ltd. invited application for 40,000 shares of Rs. 100 each at a discount of 5%, payable at Rs. 25 on application, Rs. 25 on allotment, Rs. 25 on first call and remaining on second and final call. Ganesh, who applied for 2000 shares, was allotted 1600 shares and the excess application money was adjusted against the allotment money on the shares allotted. These shares were forfeited after the first call. Journalize the transaction of forfeiture assuming that Ganesh failed to pay:
- i. The allotment money and the first call money.
 - ii. The first call money only.