

BBA DEGREE END SEMESTER EXAMINATION OCTOBER 2016**SEMESTER – 1: BACHELOR OF BUSINESS ADMINISTRATION (BBA) (CORE COURSE)****COURSE: 16U1CRBBA3 –: ACCOUNTING**

For Regular (2016 Admission)

Time: Three Hours

Max. Marks: 75

SECTION – AAnswer **all** Questions. Each question carries 1 mark

1. What do you mean by voucher?
2. Define suspense account?
3. What do you mean by return inwards?
4. Explain the term amortization?
5. Define net profit
6. What do you mean by bank overdraft?

(1 x 6 = 6)

SECTION – BAnswer **any seven** Questions. Each question carries 2 marks

7. Distinguish between Expenses and Expenditure?
8. What do you mean by provision for discount on debtors?
9. State the meaning of:
 - (a) Outstanding expense
 - (b) Accrued income
10. What is the purpose of contra entry?
11. Define the basic accounting equation with an example?
12. What do you mean by 'statement of affairs'?
13. Define cost of goods sold with the help of an equation?
14. Distinguish between Revenue reserve and Capital reserve?
15. What do you mean by matching concept?
16. What entry (debit or credit) would you make to:
 - (a) increase revenue
 - (b) decrease in expense
 - (c) record drawings
 - (d) record fresh capital introduced by owner

(2 x 7 = 14)

SECTION – C

Answer **any five** Questions. Each question carries 5 marks

17. You are required to give necessary journal entries for the following transactions in the books of Mr. Mani for the month of June, 2016:

date	details	amount
June 05	Business started with cash	200000
June 08	Opened bank account with syndicate bank	80000
June 12	Goods purchased on credit from M/s Gulmohar fashion house	30000
June 12	Purchase office machines ,paid by cheque	20000
June 18	Rent paid by cheque	5000
June 20	Sale of goods on credit to M/s Mohit Bros	10000
June 22	Cash sales	15000
June 25	Cash paid to M/s Gulmohar fashion house	30000
June 28	Received cheque from M/s Mohit Bros	10000
June 30	Salary paid in cash	6000

18. Prepare a double column cashbook from following information for the month of September 2016

date	Details	amount
Sept. 01	Bank balance	42,000
Sept. 01	Cash balance	15,000
Sept. 04	Purchased goods by cheque	12,000
Sept. 08	Sales of good for cash	6,000
Sept. 13	Purchased machinery by cheque	5,500
Sept. 16	Sold goods and received cheque(deposited same day)	4,500
Sept. 17	Purchase goods from Mriaula in cash	17,400
Sept. 20	Purchase stationery by cheque	1,100
Sept. 24	Cheque given to Rohit	1,500
Sept. 27	Cash withdrawn from bank	10,000
Sept. 30	Rent paid by cheque	2,500
Sept. 30	Paid salary	3,500

19. M/s Sahani Enterprises acquired a printing machine for Rs. 40,000 on July 01, 2010 and spent Rs. 5,000 on its transport and installation. Another machine for Rs. 35,000 was purchased on April 01, 2011. Depreciation is charged at the rate of 20% on written down value. Prepare printing machine account for the years ended on March, 31, 2011, 2012, 2013

20. Rectify the following errors :

Credit purchases from Raghu Rs. 20,000

- (a) Were not recorded.
(b) Were recorded as Rs. 10,000.

- (c) Were recorded as Rs. 25,000.
 (d) Were not posted to his account.
 (e) Were posted to his account as Rs. 2,000.
 (f) Were posted to Raghav's account.
 (g) Were posted to the debit of Raghu's account.
 (h) Were posted to the debit of Raghav.
 (i) Were recorded through sales book.
21. What is cash book? Explain types of cash book?
 22. Explain the reasons where the balance shown by bank pass book does not agree with balance shown by bank column of cash book?
 23. What are the different types of errors that are usually committed in recording business transaction?
 24. Briefly explain following terms
 (a) Transaction
 (b) Assets
 (c) Revenue
 (d) Drawings
 (e) Debtors
- (5 x 5 = 25)

SECTION – D

Answer **any two** Questions. Each question carries 15 marks

25. What is meant by 'Statement of Affairs'? How can profit or loss of a trader be ascertained with the help of Statement of Affairs?
 26. Mrs. Surabhi started business on Jan 01, 2010 with cash of Rs. 50,000, furniture of Rs. 10,000, goods of 2,000 and machinery worth 20,000. During the year she further introduced Rs. 20,000 in her business by opening a bank account. From the following information extracted from her books, you are required to prepare final accounts for the ended December 31, 2010

Receipt from debtors	57,500
Cash sales	45,000
Cash purchases	25,000
Wages paid	5,000
Salaries to staff	17,500
Trade expenses	6,500
Electricity bill of factory	7,500
Drawings of Surabhi	3,000
Cash paid to creditors	42,000
Discount allowed	1,200
Discount received	3,000
Bad debts written-off	1,300
Cash balance at end of year	20,000

Mrs. Surabhi used goods worth 2,500 for private purposes, which is not recorded in the books. Charge depreciation on furniture 10% and machinery 20% p.a. on Dec. 31, 2010 her debtors were worth 70,000 and creditors Rs. 35,000, stock in trade was valued on that date at Rs. 25,000.

27. Prepare the trading and profit and loss account of M/s Mohit Traders as on 31 March 2012 and draw a balance sheet as on that date :

Debit Balances	Amount Rs.	Credit balances	Amount Rs.
Opening stock	24,000	Sales	4,00,000
Purchases	1,60,000	Return outwards	2,000
Cash in hand	16,000	Capital	1,50,000
Cash at bank	32,000	Creditors	64,000
Return inwards	4,000	Bills payable	20,000
Wages	22,000	Commission received	4,000
Fuel and Power	18,000		
Carriage inwards	6,000		
Insurance	8,000		
Buildings	1,00,000		
Plant	80,000		
Patents	30,000		
Salaries	28,000		
Furniture	12,000		
Drawings	18,000		
Rent	2,000		
Debtors	80,000		

Adjustments

(a) Salaries outstanding	12,000
(b) Wages outstanding	6,000
(c) Commission is accrued	2,400
(d) Depreciation on building 5% and plant 3%	
(e) Insurance paid in advance	700
(f) Closing stock	12,000

28. Explain in detail the basic accounting concepts and conventions?

(15 x 2 = 30)
