

Roll No.....

**BBA-104(N)**

**BBA (Semester I) Examination – 2011**

**Book keeping and Basic A/c.**

Time: Three Hours]

[Maximum Marks: 70

**Note: Attempt all questions. All questions carry equal marks.**

**Section A**

1. What are various principles, conventions and concepts of accounting? What is the difference between Book keeping and Accounting.

**Or**

Explain following

- (a) Various users of Accounting Information
  - (b) Accounting rules of debit & Credit
  - (c) Subsidiary book of accounts.
2. What do you mean by rectification of errors? What are the various types of errors and what are the entries passed to rectify there errors.

**Or**

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What are various types of cash books? What is the objective of maintaining cash book? Give examples of cash book.

3. Write up the following transactions in the ledger of Mr. J Reddy for the month of July, 2011.
1. Started business with ₹ 80,000 in bank and ₹30,000 in cash.
  2. Paid rent by cheque ₹ 3,000; Bought goods on credit from: Barnali Sengupta & Co ₹15,000;
  3. Sold goods for cash ₹ 3,000 and on credit to P Sengupta & Co ₹ 5,000;
  4. Paid insurance by cheque ₹ 250 and bought stationery for 100 in cash;
  5. Paid wages in cash ₹ 500; sold goods for cash ₹ 700;
  8. Paid cash into bank ₹ 1,000 and returned goods to Barnali Sengupta & Co ₹ 3,000;
  9. Paid by cheque to Barnali Sengupta & Co. ₹ 10,000;
  11. Sold goods on credit to G Basu ₹ 8,000;

12. Paid wages in cash ₹ 500 and sold goods for cash ₹ 2,000;
15. Cash paid into bank ₹1,500; goods returned by P Sengupta & Co ₹ 1,000; bought shop furniture, paid by cheque Rs500;
17. Cheque received from P Sengupta & Co ₹ 4,000;
19. Paid wages in cash Rs500 and cash sales ₹ 2,000;
21. Bought goods on credit from Barnali Sengupta & Co Rs. 6,000;
22. Goods sold for cash ₹ 5,000 and on credit to P Sengupta & Co ₹ 10,000;
26. Cash paid into bank ₹ 4,000 and bought postage stamps for ₹ 50;
27. Paid telephone bill ₹ 500 and electricity ₹ 400 by cheque;
30. Paid wages in cash ₹ 500.

Or

Record the following transactions in a suitable cash book of Mr. P. Basu for the month of January, 2011 and show the closing balances of cash and bank (all figures in rupees).

1 He had cash in hand	50,000
2 Opened a bank Account	30,000
2 Received from Mr. T. Bose	4,000
3 Paid to Mr. N. Gopal in cheque	500
3 Purchase made in cash	1,000
3 Paid rent	250
3 Withdrawn from bank	3,000
4 Cash sales	5,000
4 Received a cheque from Sunit Ranjan	10,000
4 Paid wages	200
4 Purchased furnitures in cash and paid by cheque	4,000
4 Cash purchases	3,000
5 Deposited the cheque received from Mr. Sunit Ranjan	
5 Withdrawn from bank for personal use	3,000
5 Paid Electricity Bill	52
5 Paid rates and taxes	100
5 Purchase made in cash	7,000
5 Cash sales	12,000
5 Sold to Sree Nagarjun	5,000
5 Purchased from Mr. Normal Dey	2,000
7 Received a cheque from Sree Nagarjun and sent to Bank	3,000
7 Paid railway freight	250
7 Paid interest on the loan	25
7 Deposited in Bank Account	300

4.

Prepare a Bank Reconciliation Statement from the following particulars:	₹
Bank balance as per the Pass Book	10,000
(i) Cheque deposited into the bank but no entry was passed in the cash book	500
(ii) Cheque received but not sent to bank	1,200
(iii) Credit side of the bank Column cast short	200
(iv) Insurance premium paid directly by the bank under standing advice	600
(v) Bank charges entered twice in the Cash Book	20
(vi) Cheque issued but not presented to the bank for payment	500
(vii) Cheque received entered twice in the Cash Book	1,000
(viii) Bills discounted dishonoured not recorded in the Cash Book	5,000

Or

Correct the following Trial Balance : (All figures in ₹)

Dr.			Cr.
Return Outward	16,000	Debtors	15,000
Opening Stock	34,200	Carriage Outward	5,000
Salaries	12,000	Capital	55,200
Creditors	28,000	Machinery	18,000
Bank	45,000	Return Inward	3,000
Carriage Inward	6,000	Discount Received	4,000
Rent Received	3,000	Trade Expenses	6,000
Discount Allowed	2,000	Sales	1,40,000
Purchases	1,00,000	Building	20,000
Bills Payable	20,000		
	<u>2,66,200</u>		<u>2,66,200</u>

5. The following is the Trial Balance of Shri Paras, as on 31<sup>st</sup> March, 2003. You are requested to prepare the final accounts in vertical format, after giving effect to the adjustments:

Particulars	(Dr.) ₹	(Cr.) ₹	Particulars	(Dr.) ₹	(Cr.) ₹
Sundry Creditors	-	63,000	Carriage on Purchases	20,400	-
Sundry Debtors	1,45,000	-	Carriage on Sales	32,000	-
Capital Account	-	7,10,000	Fuel and power	47,300	-
Drawings	52,450	-	Wages	1,04,800	-
Insurance	6,000	-	Returns Outwards	-	5,000
General Expenses	30,000	-	Returns Inwards	6,800	-
Salaries	1,50,000	-	Sales	-	9,87,800
Patents	75,000	-	Purchases	4,06,750	-
Machinery	2,00,000	-	Cash at Bank	26,300	-
Freehold Land	1,00,000	-	Cash in hand	5,400	-
Building	3,00,000	-			
Stock on 1.4.2002	57,600	-	<b>TOTAL</b>	17,65,800	17,65,800

The following adjustment are to be made:

- (1) Stock on 31<sup>st</sup> March, 2003 was valued at Rs.68,000;
- (2) A provision for bad and doubtful is to be created to the extent of 5% on Sundry Debtors;
- (3) Depreciate Machinery by 10% and Patents by 20%;
- (4) Wages include a sum of ₹ 20,000 spent on the erection of a cycle shed for employees and customers;
- (5) Salaries for the month of March, 2003 amounting to ₹ 15,000 were unpaid;
- (6) Insurance includes a premium of Rs.1,700 on a policy, expiring on 30 September,2003.

**Or**

Distinguish between Trading Account, Profit & Loss Account and Balance Sheet? What adjustments are usually necessary at the time of preparing final accounts? Present a proforma of Trading Account, P&L a/c and Balance sheet.