

Roll No.....

Total No. of Questions : 13]

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Paper ID [B0110]

(Please fill this Paper ID in OMR Sheet)

BBA (BB - 204) (S05) (O) (Sem. - 2nd)

BASIC ACCOUNTING

Time : 03 Hours

Maximum Marks : 75

Instruction to Candidates:

- 1) Section - A is **Compulsory**.
- 2) Attempt any **Nine** questions from Section - B.

Section - A

Q1)

(15 × 2 = 30)

- a) What is an 'Accounting Cycle'?
- b) Define Accounting.
- c) Explain the Going-Concern Concept?
- d) What is 'Personal Account'?
- e) What is Ledger?
- f) What is Petty Cash Book?
- g) What is 'Credit Note'?
- h) What is comparative financial statement?
- i) What is Trading Account?
- j) What do you mean by liquidity Ratio?
- k) When does flow of funds take place?
- l) What is Contribution?
- m) What is marginal cost?
- n) What do you mean by cash flow from operating activities?
- o) What is meant by Break even point?

Section - B

(9 × 5 = 45)

- Q2)** Define ‘Double Entry System’ of book-keeping. Explain its principles.
- Q3)** Ledger is the principal book of account. Do you agree with this statement.
- Q4)** What is Trial Balance? Discuss the objects of preparing a Trial Balance.
- Q5)** What do you mean by Analysis and interpretation of financial statements? Discuss their utility.
- Q6)** Prepare Balance Sheet from the following balances as on 31st March 2008 in liquidity order.

	Rs.		Rs.
Outstanding Salary	1,000	Sundry Debtors	14,000
Stock on April 1, 2007	26,000	Net Profit	8,400
Goodwill	15,000	Prepaid Salary	900
Capital	50,000	Drawings	1,800
Outstanding interest on loan	3,000	Bills Payable	7,000
Sundry Creditors	9,000	Loose Tools	32,000
Plant & Machinery	40,000	Cash	600
Furniture & Fixtures	4,500	Loan	30,000
		Bills Receivable	3,400

- Q7)** From the following information, calculate average collection period.

	Rs.
Total Sales	1,00,000
Cash Sales (included in Total sales)	20,000
Sales Return	7,000
Total Debtors at the end of year	11,000
Bills Receivable	4,000
Bad Debts Provision	1,000
Creditors	10,000

- Q8)** What is a fund flow statement? Discuss its significance.
- Q9)** Differentiate between ‘Funds Flow’ and ‘Cash Flow’ Analysis.
- Q10)** What is Marginal Costing? Explain its managerial uses.

Q11) What do you mean by Break-even Analysis? What are the uses and assumptions of such analysis?

Q12) Sales and Profit during two periods for a company were as follows :

	Sales	Profit
	Rs.	Rs.
Period I	9,00,000	90,000
Period II	11,00,000	1,30,000

Find out :

- (a) P/V Ratio
- (b) Break-even point.

Q13) Journalise the following transactions :

- (a) Amount due from Sadhu Ram Rs. 4,000 is irrecoverable as he is declared insolvent.
- (b) Paid Rs. 980 to Darshan Singh in full settlement against amount due to him Rs. 1,000.
- (c) Charanjit remitted Rs. 1,400 against the amount already written off as bad debt.
- (d) Withdrew goods from business costing Rs. 500.
- (e) Sold goods to Ram Lal list price Rs. 6,000 for cash at trade discount of 10% and cash discount 5%.

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