

BBA/D-18

BUSINESS ACCOUNTING

BBA-102

Note ; There are eight questions. Attempt five questions in all. Question No. 1 is compulsory and comprises of six short answer questions. All questions carry equal marks.

1. Compulsory Questions

Explain the following :

- (a) Discuss the scope of accounting.
- (b) Define dual-aspect principle.
- (c) Define FSAB.
- (d) What is accounting equation?
- (e) Define errors of Omission.
- (f) Define goodwill as an intangible asset.

2. Discuss the nature and scope of business accounting? Also discuss as an information system.

3. Transactions of M/s Vinayak Traders are given below

Show the effects on assets, liabilities and capital with the help of accounting equation.

Rs.

(a) Started with cash	90,000
(b) Purchased goods on credit	50,000
(c) Purchased furniture for cash	10,000
(d) Sold goods costing Rs. 20,000 for	40,000
(e) Sold goods costing Rs. 20,000 on credit for	42,000
(f) Bought goods worth Rs. 20,000 (Rs. 15,000 paid in cash and balance on credit)	
(g) Drawn for personal use	5,000
(h) Paid as rent	1,000
(i) Paid for salaries	3,000
(j) Paid to creditors	40,000

4. Discuss the objectives of posting? Also discuss what type of errors could cause a trial balance not to balance?

5. Differentiate the following :

- (a) Journal and ledger.
- (b) Errors of omission and errors of commission.

6. Explain the accrual basis of accounting. What are accrued expenses and accrued revenue. Give an example of adjustment to record each of these items with imaginary figures.

7. Differentiate accounting concepts from accounting conventions.

8. Explain the rationale of preparing a balance sheet.
What are its limitations?