

**BACHELOR OF BUSINESS ADMINISTRATION
(RETAIL SERVICES)
(BBARS)**

00251

Term-End Examination

June, 2015

BRS-004 : BUSINESS ACCOUNTING

Time : 3 hours

Maximum Marks : 100

*Note : Attempt any **five** questions. All questions carry equal marks.*

1. Discuss the importance and limitations of Accounting. Also discuss in detail any two Accounting Principles and give suitable examples. 20
2. Define Trial Balance along with its objectives. Outline the various steps required to prepare a Trial Balance. 20
3. Write short notes on any **four** of the following : 4×5=20
 - (a) Retail Accounting
 - (b) Trading and Profit & Loss A/C
 - (c) Branch Accounting

- (d) Subsidiary Books
- (e) Double Entry System
- (f) Types of Errors in Accounting

4. Pass the journal entries in the books of the head office and branch for the following adjustments : 20

- (a) Cash in transit ₹ 5,000
- (b) Goods sent by head office ₹ 10,000
in transit
- (c) Depreciation on fixed assets ₹ 400
whose account is maintained
in the books of head office
- (d) Amount to be charged by head ₹ 1,200
office for its service rendered
to branch
- (e) Salary of Sales Manager paid ₹ 980
by the branch while the Sales
Manager was on a visit to
the branch
- (f) Goods costing and invoiced at ₹ 10,850 are
sent to branch but the branch receives goods
costing ₹ 10,670 only, the remaining goods
having been stolen somewhere in transit.
Branch has passed entry only for ₹ 10,670
and disclaims any liability for the balance.

5. A company purchased raw materials during the month of March, 2012, as stated below :

March 2	1600 units @ ₹ 60 per unit
March 8	2400 units @ ₹ 55 per unit
March 11	5000 units @ ₹ 57 per unit
March 19	6000 units @ ₹ 54 per unit
March 23	3000 units @ ₹ 58 per unit
March 30	2000 units @ ₹ 63 per unit

While preparing final accounts on 31/03/2012, the company had 2600 units of raw material in its godown.

You are required to calculate the values of closing stock of raw materials according to the following :

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- (a) Last-In-First-Out Method (LIFO)
- (b) First-In-First-Out Method (FIFO)
- (c) Weighted Average Method

6. What do you understand by the rectification of errors in Accounting ? Discuss the various types of errors and give suitable examples in support of your answer.

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7. Make a distinction between the following : $10+10=20$

(a) Capital Receipts and Revenue Receipts

(b) Capital Expenditure and Revenue Expenditure

8. Define Cash Book and Petty Cash Book. Discuss the nature and objectives of both in the light of small scale manufacturing units. 20
