



QP – 347

**I Semester B.B.A. Examination, March/April 2022
(CBCS) (Repeaters) (2014 – 15 and Onwards)**

BUSINESS ADMINISTRATION

Paper 1.3 : Fundamentals of Accounting

Time : 3 Hours

Max. Marks : 70

Instruction : Answer should be written in **English** only.

SECTION – A

Answer **any five** sub-questions. **Each** question carries **2** marks. **(5×2=10)**

1. a) Give the meaning of accounting conventions.
- b) State the branches of accounting.
- c) What is trading account ?
- d) How do you treat the goods withdrawn by the proprietor for personal use ?
- e) Mention any four subsidiary books.
- f) What is an accounting standard ?
- g) Give the meaning of Pass book.

SECTION – B

Answer **any three** questions. **Each** question carries **6** marks. **(3×6=18)**

2. Explain the objectives of accounting.
3. What are the objective of conversion of single entry into double entry system.
4. Explain the rules for debiting and crediting various types of accounts.
5. Prepare personal account of Mr. Amith from the following details of transactions.

2021 March	1 st	Debit balance of Amith A/c ₹ 1,62,000
	3 rd	Goods purchased from Amith on Credit of ₹ 28,000
	15 th	Goods worth ₹ 46,000 sold to him
	20 th	Paid to him ₹ 26,000
	25 th	Returned goods to him ₹ 2,600
	31 st	He returned goods ₹ 12,000.

P.T.O.



6. On 31 March, 2021 Suresh's Pass Book had a Credit balance of ₹ 10,000. Following facts were disclosed on comparison of Pass Book with cash book.

- Cheques of ₹ 8,000 were issued but cheques of ₹ 3,000 were presented for payment.
- A cheque of ₹ 1,000 received from a customer which is recorded in cash book only.
- Bank credited ₹ 300 for interest.
- Bank debited ₹ 200 for expenses.
- Cheques of ₹ 2,000 and ₹ 3,000 were sent to Bank but out of them cheque of ₹ 2,000 was credited upto 31 March 2021.

Prepare Bank Reconciliation Statement.

SECTION - C

Answer **any three** questions. **Each** question carries **14** marks.

(3×14=42)

7. Journalise the following transactions in the books of Mr. Prateek.

- | | | |
|-----------|------------------|--|
| 2021 June | 1 st | Commenced business with cash ₹ 1,00,000 |
| | 5 th | Purchased a machinery from Mahesh on Credit ₹ 24,000 |
| | 8 th | Bought goods for cash ₹ 3,000 |
| | 9 th | Borrowed loan from HDFC Bank ₹ 50,000 |
| | 10 th | Paid suppliers of Machinery ₹ 15,000 |
| | 12 th | Sold goods to M/s Arun Traders ₹ 20,000 |
| | 15 th | Goods returned by M/s Arun Traders ₹ 2,000 |
| | 25 th | Paid salaries to office staff ₹ 6,000 |
| | 27 th | Purchased motor cycle for cash for office use ₹ 30,000 |
| | 28 th | Received cash of ₹ 17,700 from Arun Traders on full settlement of ₹ 20,000 |
| | 28 th | <i>Paid carriage of ₹ 20,000</i> |

Also Paid interest ₹ 1,000 and Rent ₹ 2,000

- | | |
|------------------|--|
| 18 th | Cash sales ₹ 9,000 |
| 20 th | Paid for furniture purchased by cheque ₹ 2,000 |
| 26 th | Drew from bank for office use ₹ 5,000 |
| 30 th | Paid for advertisement cash ₹ 5,300 and office expenses by cheque ₹ 6,500. |

10. From the following information ascertain total sales and total purchases.

Balances	1-4-2020(₹)	31-3-2021 (₹)
Sundry Debtors	65,000	72,000
Bills Receivable	37,000	30,000



Sundry Creditors	48,000	50,000
Bills Payable	24,000	21,000
Transactions for the year 2020-21		₹
Cash sales		38,750
Cash received from debtors		1,62,500
Discount allowed to customers		4,500
Return inwards		12,000
Return Outwards		2,500
Cash received against B/R		58,000
Cash paid against B/P		40,000
Cash Purchases		25,000
Cash paid to creditors		1,07,500
Bad debts written off		5,000

11. Rajesh has not kept his books on double entry. Prepare statement of profit or loss for the year ended 31-3-2021 and a revised statement of affairs as on that date.

Particulars	1-4-2020 (₹)	31-3-2021 (₹)
Cash	3,000	24,000
Bank overdraft	30,000	—
Stock	53,000	80,000
Sundry Creditors	26,000	40,000
Sundry debtors	60,000	1,40,000
Bills Payable	6,000	12,000
Furniture	40,000	60,000
Bill Receivable	8,000	28,000
Machinery	50,000	1,00,000
Investment	30,000	80,000

Additional informations :

- Drawing were ₹ 10,000 p.m.
- Additional capital introduced ₹ 2,00,000.
- Write off ₹ 2,000 as bad debts.
- Outstanding Salary ₹ 2,400.
- Prepaid insurance ₹ 700.
- Depreciate furniture and machinery at 10% p.a. on opening balance.
- Allow interest on capital at 5% p.a. on opening capital.