

0118622

14121



Reg. No.

--	--	--	--	--	--	--	--

I Semester B.B.A. Degree Examination, August - 2021

BUSINESS ADMINISTRATION

Fundamentals of Accounting

(CBCS Scheme Repeaters 2014-15 & Onwards)

Paper : 1.3

Time : 3 Hours

Maximum Marks : 70

Instructions to Candidates :

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

SECTION - A

Answer any **Five** questions. Each carries **Two** marks:

(5×2=10)

1. a) What do you mean by accounting principles?
- b) What is 'Going concern concept'?
- c) What is real account? Give two examples.
- d) What is accounting process?
- e) What do you mean by ledger?
- f) What is 'Purchase return book'?
- g) State any two advantages of petty cash book.

SECTION - B

Answer any **Three** questions. Each question carries **Six** marks:

(3×6=18)

2. What are the functions of accounting?
3. Explain the rules for debiting and crediting various types of accounts.
4. From the following information prepare bank reconciliation statement and find the bank balance as per passbook.
 - a) Bank balance as per cash book Rs. 70,000
 - b) Cheques of Rs. 3,000 and Rs. 2,000 was issued in December 2016 and these cheques was presented in January 2017.
 - c) Cheque of Rs. 5,000 was issued in December 2016 and these cheques were presented in to bank in the same month.
 - d) Received cheque of Rs. 2,000 in December 2016 and deposited in the same month.
 - e) Deposit cheque of Rs. 4,000 in December 2016 and was dishonored in Jan 2017.

[P.T.O.]



5. Prepare a personal account of Varun from the following transactions in the books of Ganesh.
- On 1st January 2017: Debit balance of Varun Rs. 10,050
On 5th January 2017: Bought from Varun Rs. 1,500.
On 7th January 2017: Cheque issued to Varun Rs. 1,800.
On 9th January 2017: Sold to Varun Rs. 3,500
On 12th January 2017: Ganesh sold goods to Varun Rs. 1,600
On 14th January 2017: Varun sold goods to Ganesh Rs. 900
On 20th January 2017: Received cheque from Varun Rs 1,800
On 24th January 2017: Varun claimed an allowance of Rs. 300 for damaged goods.
On 28th January 2017: Varun received goods returned by Ganesh Rs. 450.
6. What are the different types of Subsidiary Books?

SECTION - C

Answer any **Three** questions. Each question carries **Fourteen** marks: (3×14=42)

7. Journalize the following transactions in the Books of Siri.

	Rs.
March 2018	
1 st Started business with cash	2,50,000
2 nd Borrowed a loan from Mr. Raghu	1,00,000
5 th Purchased a computer for office use from Gururaj	40,000
7 th Purchased Furniture for office use	20,000
9 th Appointed Mr. Sudeep as the manager and gave him an advance	10,000
11 th Purchased goods from Mr. Kiran	50,000
13 th Sold goods to Mr. Arun	60,000
15 th Placed an order with Mr. Suresh for goods to be received a month later	15,000
17 th Paid commission to Mr. Prathap	5,000
19 th Received cash from Mr. Manjunath as an advance of future sales	3,000
21 st Gave a loan to Mr. Suhas	12,000
23 rd Cash Paid to Mr. Kiran	30,000
25 th Received cash from Mr. Arun	45,000
30 th Paid salaries	16,000



8. Record the following transactions in a analytical Petty cash book under the imprest system and balance it.

March 2018

	Rs.
1 st Received a cheque towards Petty cash	Rs. 350
2 nd Stationery	Rs. 25
3 rd Postage	Rs. 30
5 th Printing	Rs. 15
7 th Coolie	Rs. 25
9 th Telegrams	Rs. 10
12 th Railway freight	Rs. 35
14 th Wages	Rs. 45
15 th Bought stamps	Rs. 30
18 th Paid bus fair	Rs. 20
21 st Paid office cleaner	Rs. 15
23 rd Telephone charges	Rs. 10
26 th Paid for repairs	Rs. 25
30 th Telephone charges	Rs. 10
31 st Paid to Isha in statement of her account	Rs. 40

9. From the following Trial Balance of Mr. Samarth as on 31/12/2018 prepare final accounts as on the above date.

Particulars	Dr. (Rs.)	Cr. (Rs.)
Capital account	-	1,20,000
Drawings	15,000	-
Bills receivable	22,000	-
Machinery	20,000	-
Debtors and Creditors	60,000	58,000
Wages	39,000	-
Purchase and Sales	2,52,000	3,55,000
Commission	-	5,500
Rent and Taxes	6,000	-
Stock on 1/1/2018	90,000	-
Salaries	10,500	-
Travelling expenses	2,000	-
Insurance	600	-
Repairs	3,400	-
Bad debts.	3,500	-
Furniture	9,000	2,000
Returns	5,000	-
Cash in hand	2,500	-
Total	5,40,500	5,40,500

**Adjustments:**

- a) Stock on hand 31/12/2018 was Rs. 1,00,000
- b) Create 5% provision on debtors for doubtful debts.
- c) Prepaid insurance amounted to Rs. 100.
- d) Wages outstanding was Rs. 1,000.
- e) Depreciate machinery by 5% and furniture by 10% p.a.

10. Mr. Sourav keeps his books under single entry system.

Particulars	1 st Jan 2018 Rs.	31 st Dec 2018 Rs.
Bank overdraft	10,000	12,000
Furniture	20,000	20,000
Land and Building	70,000	70,000
Investments	-	10,000
Sundry debtors	20,000	30,000
Sundry Creditors	30,000	40,000
Stock	45,000	50,000
Motor car (1/07/2018)	-	20,000
Cash	10,000	20,000
Plant and Machinery	40,000	40,000

During the year he withdraw Rs. 10,000 for personal use. On 1/07/2018 he introduced further capital of Rs. 20,000 by selling his private house.

Adjustments:

- a) Appreciate land and building by 20%.
- b) Debtors include Rs. 1,000 from a Customer who is insolvent and its irrecoverable.
- c) Maintain RDD at 5% on Debtors.
- d) Depreciate plant and machinery at 10% furniture at 5% and motor car at 10%.

Prepare a statement showing profit or loss for the year 2018 and revised statement of affairs as on the date.

11. Pass journal entry in the books of Sameer and post them to respective ledger accounts.

- 1st Jan 2017 Sameer started business with cash Rs. 10,000 and furniture from Sunil Rs. 25,000
- 5th Jan 2017 Sameer sold goods to Sunil for Rs. 30,000 received Rs. 10,000 in cash and balance through cheque.
- 10th Jan 2017 Sameer purchased goods from Sudheer for Rs. 40,000, paid Rs. 20,000 in cash and the balance through bank Rs. 20,000.
- 15th Jan 2017 Sameer sold furniture to sudheer on credit for Rs. 30,000 and received Rs. 5,000 in cash immediately.
- 20th Jan 2017 Sameer purchased furniture from sunil on credit for Rs. 50,000 and paid Rs. 10,000 through bank immediately.