

Q.P. Code : 14121

**First Semester B.B.A. Degree Examination,
November/December 2019**

(CBCS – Repeaters – 2018-19 and onwards)

Business Administration

Paper 1.3 – FUNDAMENTALS OF ACCOUNTING

Time : 3 Hours]

[Max. Marks : 70

Instructions to Candidates : Answer should be written in English only.

SECTION – A

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

1. (a) What is a Contra Entry?
- (b) What do you mean by Matching Concept?
- (c) How do you treat outstanding salary in Final Accounts?
- (d) Mention any four Indian Accounting Standards.
- (e) What is Angle entry system?
- (f) Why is Bank Reconciliation Statement Prepared?
- (g) What is Journal Proper?

SECTION – B

Answer any **THREE** of the following questions. Each question carries **6** marks :
(3 × 6 = 18)

2. Briefly explain the process of Accounting.
3. State the difference between Journal and Ledger.
4. Enter the following transactions in the simple petty cash book :
 - 1.1.2019 Received a cheque for Rs. 1,000 to open the book
 - 5.1.2019 Brought postage stamps Rs. 50
 - 8.1.2019 Paid stationery Rs. 80
 - 10.1.2019 Sent a telegram Rs. 70

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- 12.1.2019 Sent a cartage of Rs. 50
- 14.1.2019 Paid tiffin charges of Rs. 130
- 20.1.2019 Balance due to Sowmya Rs. 60
- 25.1.2019 Paid auto charges of the office boy Rs. 70
- 28.1.2019 Paid coolie Rs. 90
- 29.1.2019 Purchased paper clips Rs. 40
- 31.1.2019 Paid electricity charges Rs. 80

5. From the following particulars prepare a bank reconciliation statement as on 31.12.2018 :

- (a) Bank balance as per cash book Rs. 74,000
- (b) A cheque of Rs. 7,000 was issued in December 2018 but were presented in bank in Feb. 2019
- (c) Cheque of Rs. 4,000 was deposited in December 2018 but the bank collected it in January 2019
- (d) Cheque of Rs. 4,000 was received in December 2018 and recorded in the cash book but deposited into a bank on January 2019.

6. Prepare Trial balance from the following data for the year ending 31st March 2019 :

Particulars	Amount
Motor Vehicle	10,000
Cash	5,600
Drawings	6,200
Bank over draft	7,500
Purchase returns	800
Debtors	13,200
Bad debts	1,200
Stock	6,400
Creditors	7,700
Purchases	8,800
Capital	37,100
Depreciation	1,700

SECTION - C

Answer any **THREE** of the following questions. Each question carries **14** marks :
(3 × 14 = 42)

7. Journalise the following Transactions in the books of Mr. Shankar for the month of August 2019 :

	Rs.
1.8.2019 Introduced capital of	5,00,000
3.8.2019 Bought goods for cash	24,000
5.8.2019 Opened bank account with a balance of	50,000
10.8.2019 Purchased goods from Darshan	40,000
12.8.2019 Sold goods to Prakash	60,000
14.8.2019 Withdrew cash for personal use	5,000
17.8.2019 Received from Prakash	40,000
20.8.2019 Purchased furniture	10,000
22.8.2019 Paid Darshan	40,000
23.8.2019 Paid insurance	2,000
25.8.2019 Paid salary Rs. 5,000 and rent Rs. 8,000	
28.8.2019 Withdrew Rs. 10,000 from bank	

8. From the following trial balance of Mr. Chandrashekar. Prepare the final accounts for the year ended 31.3.2019 :

Particulars	Debit (Rs.)	Credit (Rs.)
Land and buildings	50,000	—
Purchases	1,10,000	—
Stock as on 1.4.18	40,000	—
Purchases returns	—	1,500
Wages	10,000	—
Salaries	9,000	—
Office Expenses	2,400	—
Sales returns	2,500	—
Carriage inwards	1,200	—

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Particulars	Debit (Rs.)	Credit (Rs.)
Discount	—	1,200
Bad debts	2,000	—
Sales	—	2,05,000
Capital	—	1,30,000
Insurance	1,500	—
Creditors	—	25,000
Plant and machinery	60,000	—
Furniture	10,000	—
Bills receivable	20,000	—
Debtors	40,000	—
Cash at bank	6,450	—
Bills payable	—	2,350
	<u>3,65,050</u>	<u>3,65,050</u>

Adjustments :

- Closing stock Rs. 60,000
- Outstanding wages Rs. 2,000
- Prepaid Insurance Rs. 800
- Interest on capital at 5%
- Provide Reserve for bad and doubtful debts at 2.5%.

9. Enter the following transactions in three columnar cash book for the month of August 2019 :

Date	Particulars	Amount (Rs.)
1.8.19	Balance of cash-in-hand	4,000
	and in bank	10,000
3.8.19	Received cash from Shivu and allowed a discount of Rs. 80	2,000
4.8.19	Sold goods for cash	3,500
5.8.19	Cash paid into bank	3,200
7.8.19	Cash paid to Divya and discount received	1,400 50

Date	Particulars	Amount (Rs.)
10.8.19	Purchased good by cheque	2,700
13.8.19	Cash with drawn from bank for office use	1,500
16.8.19	Bought furniture and paid by cheque	4,000
18.8.19	Received from Suresh a cheque	1,650
20.8.19	Paid for advertisement	800
21.8.19	Suresh's cheque paid into bank	1,650
24.8.19	Issued to Nithya a cheque	1,900
	and discount received	100
25.8.19	Cash sales	2,950
26.8.19	Introduced additional capital	4,000
30.8.19	Paid salary by cheque	1,600
31.8.19	Paid electricity charges	850

10. Siddartha has not kept his books on double entry. Ascertain his profit statement and revised statement of affairs as on 31.3.2018 from the following information :

Additional Information :

- Outstanding salary Rs. 2,400
- Bad debts Rs. 500
- Provides 5% reserve for bad and doubtful debts on debtors
- Drawings Rs. 6,000

Particulars	1.4.2017	31.3.2018
Cash	20,000	24,000
Bank overdraft	30,000	—
Stock	53,000	70,000
Sundry debtors	30,000	1,20,000
Sundry creditors	26,000	40,000
Bills payable	5,000	10,000
Furniture	30,000	50,000
Bills receivable	10,000	25,000
Machinery	70,000	1,00,000
Investment	20,000	50,000
Land and building	28,000	73,000

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11. Enter the following transactions in proper subsidiary books and post them into a ledger :

Date	Particulars	Amount (Rs.)
1.1.2019	Purchased goods from Sachin	8,250
5.1.2019	Sold goods to Venkatesh	10,000
8.1.2019	Purchased goods from Darshan	8,000
10.1.2019	Returned goods to Sachin	250
15.1.2019	Sold goods to Veeresh	6,000
20.1.2019	Venkatesh returned goods	500
22.1.2019	Purchased goods from Mohan	5,000
24.1.2019	Preethi purchased goods from us	700
25.1.2019	We bought goods from robin	12,000
28.1.2019	Returned goods to Darshan	500
31.1.2019	Received goods returned by Veeresh	1,000