



I Semester B.B.A. Examination, May 2022
(NEP – 2021-22 and Onwards)
BUSINESS ADMINISTRATION
Paper – 1.2 : Fundamentals of Accountancy

Time : 2½ Hours

Max. Marks : 60

Instruction : Answers should be written **completely in English.**

SECTION – A

I. Answer **any 6** of the following :

(6×2=12)

- 1) What are 'Bills payable' ?
- 2) What are 'Return Inwards' ?
- 3) Define a 'Journal'.
- 4) What is an 'Accounting Cycle' ?
- 5) What is 'Reserve for bad and doubtful debts' ?
- 6) What is 'Income received in advance' ?
- 7) What is 'Trade Discount' ?
- 8) Give the meaning of trading account.

SECTION – B

II. Answer **any 3** of the following :

(3×4=12)

- 1) State four objectives of accounting.
- 2) List the limitations of accountancy.
- 3) What are the advantages of subsidiary books ?
- 4) Explain the accounting concepts.
- 5) Prepare John's personal account from the following information :
1st Jan. Sold goods to him worth Rs. 1,000
3rd Jan. Purchased goods from him worth Rs. 500
5th Jan. Received from him on account Rs. 900 and allowed him Rs. 100 as discount.
10th Jan. Returned goods to him worth Rs. 50.



SECTION – C

III. Answer **any 3** of the following :

(3×12=36)

- 1) List the contents of profit and loss account and balance sheet of a proprietary concern.
- 2) Explain the double entry system of book keeping.
- 3) Prepare various Ledger Accounts :

July 2021

- 1st Akash opened bank account with cash Rs. 30,000.
- 3rd Akash withdrew Rs. 3,000 from the bank for office use
- 4th Akash deposited Rs. 6,000 into bank
- 5th Akash sold machinery for cash Rs. 14,000
- 7th Akash purchased machinery and paid cash Rs. 10,000
- 10th Akash sold furniture to Balu on credit Rs. 10,000
- 14th Akash purchased furniture from Balu on credit for Rs. 20,000
- 17th Akash sold building and received cheque of Rs. 50,000
- 20th Akash purchased machinery and paid through bank Rs. 30,000
- 21st Akash sold machinery for Rs. 50,000 received half in cash and half through bank
- 22nd Akash purchased machinery for Rs. 30,000 and paid Rs. 10,000 in cash and balance through bank
- 28th Akash sold furniture to Balu on credit for Rs. 20,000 and received Rs. 15,000 in cash immediately.

- 4) Prepare Trial Balance from the following balances taken from the books of M/s XYZ as on 31-12-2020 :

| | |
|---------------------|--------|
| Capital | 35,000 |
| Drawings | 2,400 |
| Bills Receivable | 8,200 |
| Plant and Machinery | 19,600 |
| Advertisement | 1,200 |
| Commission received | 360 |
| Wages | 11,600 |
| Discount allowed | 160 |
| Carriage inwards | 340 |
| Returns inwards | 930 |



| | |
|-------------------------|--------|
| Postage and Telegrams | 375 |
| Salaries | 7,500 |
| Rent rates and taxes | 250 |
| Printing and stationery | 325 |
| Bad debts | 150 |
| Purchases | 50,600 |
| Sales | 84,870 |
| Sales tax | 1,875 |
| Sundry debtors | 24,200 |
| Sundry creditors | 15,300 |
| Stock (01-01-2020) | 7,965 |
| Trade expenses | 190 |
| Rent | 1,650 |
| Insurance | 400 |
| Cash in hand | 180 |
| Bank overdraft | 5,760 |
| Typewriter | 1,200 |

5) From the following transactions, prepare sales book and post them to ledger.

Jan. 2020

- 1st Sold the following goods to Ramnath & Sons as per invoice No. 123, L/F-200. 20 gift sets @ Rs. 150 each set. 10 kitchen sets @ Rs. 1,000 each set. Discount at 10% packing and other expenses Rs. 500
- 16th Sold the following goods to K Traders as per invoice No. 124, L/F-225. 10 water filters at Rs. 300 each. 10 LPG stoves at Rs. 3,000 each. Discount at 20% packing and other expenses Rs. 800.
- 30th Sold the following goods to B Traders as per invoice No. 125, L/F-230. 100 steel plates @ Rs. 60 each. 100 steel tumblers @ Rs. 15 each. Discount at 10% VAT @ 4% packing and other expenses Rs. 600