



CS – 367

I Semester B.B.A. Examination, March 2023
(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) What is book keeping ?
b) Give the meaning of petty cash.
c) How do you treat outstanding expenses while preparing final accounts ?
d) What do you mean by narration ?
e) Mention two accounting standards.
f) Bring out any two differences between single and double entry system.
g) Give the meaning of accounting.

SECTION – B

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

2. Briefly explain the limitations of double entry system of accounting.
3. How do you ascertain profit or loss under Single Entry system of book keeping ?
4. Briefly explain accounting process/cycle.



5. Prepare personal account of Mr. Varun from the following transactions :

2021		₹
March 1 st	Debit balance of Varun A/c	1,62,000
3 rd	Goods purchased from Varun on credit	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

6. From the following, ascertain gross profit :

	₹
Stock (1-4-2019)	60,000
Sales	3,00,000
Sales returns	10,000
Purchases	2,40,000
Purchase returns	3,000
Wages	5,000
Carriage inwards	1,000
Stock (31-3-2020)	75,000

SECTION – C

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

(3×14=42)

7. Journalise the following transactions.

2020		₹
August 1 st	Commenced business with cash	2,00,000
5 th	Purchased furniture for cash	20,000
7 th	Purchased machinery from global traders	30,000
8 th	Sold goods for cash	2,00,000
10 th	Sold goods to Babu	75,000
11 th	Received the amount from Mr. Babu	75,000
12 th	Purchased goods from Bharat Traders	1,00,000
13 th	Paid the amount due to Bharat Traders	
15 th	Received interest on investments	8,000
20 th	Commission received	10,000
25 th	Paid general expenses	5,000
27 th	Paid rent	4,000
28 th	Additional capital introduced	10,000



8. From the following Trial Balance of Mr. Ramesh prepare P and L A/c and Balance Sheet as on 31-3-2018.

Particulars	Dr. (₹)	Cr. (₹)
Opening stock	10,000	—
Purchases and sales	1,80,000	2,05,000
Wages	3,000	
Salaries	6,600	
Rent @ ₹ 250 p.m.	2,750	
Electricity expenses	550	
Trade expenses	1,500	
Interest on loan	900	
Commission	200	
Machinery	29,000	
Furniture	5,000	
Debtors and creditors	10,500	15,000
Building	30,000	
10% loan		10,000
Drawings and capital	5,000	55,000
	2,85,000	2,85,000

Adjustments :

- Provide for depreciation at 10% on machinery and 5% on furniture.
 - Provide for bad and doubtful debts @ 5% on debtors.
 - Outstanding wages ₹ 2,000
 - Salary paid in advance ₹ 600.
9. Record the following transactions of Srihari in an analytical petty cash book under imprest system.

2019		₹
April	1 Received imprest amount	300
	5 Paid for carriage	16
	8 Purchased stamps	6
	12 Bought ink and paper	18
	13 Paid conveyance expenses	12
	19 Paid for advertising	90
	23 Purchased revenue stamps	10
	25 Paid auto charges	15
	29 Telegram charges	60
	30 Office cleaning expenses	10
	31 Refreshments to office staff	13



10. From the following information, prepare :

- a) Debtors A/c
- b) Creditors A/c
- c) B/R A/c and
- d) Bills payable A/c

Particulars	₹
B/R in the beginning (1-4-2016)	16,000
Debtors in the beginning (1-4-2016)	44,250
Creditors on 1-4-2016	26,910
Bills payable on 1-4-2016	5,000
Credit purchases	2,02,190
Credit sales	2,06,310
Cash received from debtors	1,72,350
Discount allowed	1,740
Bad debts	2,550
Return from customers	3,450
Payment to creditors	89,340
Discount received from creditor	1,290
B/R received from debtors	28,800
Bills payable accepted	19,200
Cash received against B/R	30,000
Cash paid against B/P	14,000
Purchase return	1,610

11. Mr. Ramesh keeps his books under Single Entry System. The following information is supplied to you.

Particulars	1-1-2019	31-12-2019
Bank overdraft	5,000	6,000
Furniture	10,000	10,000
Plant and machinery	40,000	40,000
Land and building	60,000	60,000
Investments	—	10,000
Debtors	25,000	35,000
Creditors	30,000	40,000
Stock	40,000	45,000
Motor car (1-7-2019)	—	20,000
Cash	5,000	10,000

During the year he withdrew ₹ 15,000 for personal use. On 1-5-2019 he introduced further capital of ₹ 12,000 by the sale of his private scooter.

Depreciate plant and machinery, furniture and motor car @ 10% p.a.

Appreciate Land and Buildings by 20%

Maintain reserve for doubtful debts at 5% on debtors.

Allow interest on capital at 12% p.a.

Rent prepaid ₹ 1,000

Prepare statement showing profit or loss as on 31-12-2019 and revised statement of affairs as at that date.