



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 :  
1<sup>st</sup> Jan. Sold goods to him worth Rs. 1,000  
3<sup>rd</sup> Jan. Purchased goods from him worth Rs. 500  
5<sup>th</sup> Jan. Received from him on account Rs. 900 and allowed him Rs. 100 as discount.  
10<sup>th</sup> Jan. Returned goods to him worth Rs. 50.

P.T.O.



## 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**

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

- 1<sup>st</sup> 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
- 16<sup>th</sup> 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.
- 30<sup>th</sup> 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