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END SEMESTER EXAMINATION – NOV/DEC 2025

BUSINESS ADMINISTRATION – I SEMESTER BBA

25BBA13A – FUNDAMENTALS OF ACCOUNTING

Time: 3 Hours **Max. Marks: 80**

Instruction: *Answer should be written completely in English*

SECTION - A

1. Answer any **SEVEN** questions. Each question carries **TWO** marks. **(7X2=14)**
   a) What do you mean by GAAP?
   b) Name the Branches of Accounting.
   c) What is Real Account? Give an example.
   d) Write any 2 objectives of Trial Balance?
   e) Give the meaning of Purchase Book & Sales Book.
   f) What is Accounting Standard?
   g) What is Gross Profit? How do you calculate it?
   h) Give the meaning of Final Accounts.
   i) What does the term "supply" mean in GST terminology?
   j) What do you mean by IGST?

SECTION - B

Answer any **THREE** questions. Each question carries **EIGHT** marks. **(3X8=24)**

2. What are the Functions of Accounting? Explain briefly
3. Journalise the following transactions in the books of Mr. Rakesh for the month of April 2024.

   1 April - Mr. X commenced business with cash ₹ 60,000
   4 April - Purchased furniture ₹ 22,000
   5 April - Bought goods for cash ₹ 24,000
   8 April - Purchased goods from Dinesh ₹ 40,000
   12 April - Sold goods on credit to Prakash ₹ 10,400
   16 April - Received from Prakash on account ₹ 4,800
   20 April - Sold goods for cash ₹ 5,200 to Ramesh
   21 April - Paid to Dinesh on account ₹ 12,000
   27 April - Withdraw cash for personal use ₹ 500
   28 April - Paid to Dinesh on account ₹ 16,000
   29 April - Brought in further capital ₹ 10,000
   30 April - Rent paid ₹ 520

4. From the following transactions prepare purchases book and post them to ledger

Date	Invoice No.	Particulars
Jan 1	101	Purchased on credit from Chandranath & co, Bengaluru L/F-25 ,50 silk sarees at ₹ 200 per sarees, less trade discount
Jan 5	402	Purchased for cash from Abhay & Co. 20 Kanjivaram sarees at ₹2000 per saree
Jan 10	808	Purchased on credit from Puttanna & Co. Mysore, 15 sarees at ₹1000 per saree. Less trade discount at 10% L/F - 26
Jan 30	1001	Purchased on credit from Ravi Keerthi & co 2 computers at ₹25000 each

5. From the following information, prepare the profit and loss account of Mr. Raj for the year ending 31 March 2024
   Cash ₹ 5600
   Plant & Machinery ₹ 10000
   Drawings ₹ 6200
   BOD ₹ 7500
   Debtors ₹ 9,000
   Bad debts ₹ 1200
   Discount received ₹ 200
   Stock ₹ 6400
   Creditors ₹ 7700
   Capital ₹ 32800
   Sales ₹ 14400
   Goodwill ₹ 12000
   Purchases ₹ 8800
   Stationery ₹ 1500
   Depreciation ₹ 1700
   Discount allowed ₹ 200

6. Pass journal entries for the following transactions in the books of a registered dealer:
   a. Sold goods worth ₹ 10,000 (excluding GST) on credit to Mr. Ajay @ 18% GST
   b. Purchased goods worth ₹ 8,000 (excluding GST) from Mr. Ravi on credit @ 18% GST
   c. Paid the GST liability for the month through bank.
   d. Received an advance of ₹ 5,000 (excluding GST) from a customer for future sales.

SECTION – C

Answer any **THREE** questions. Each question carries **FOURTEEN** marks. **(3X14=42)**

7. Explain in detail the Accounting Concepts and Accounting Conventions.
8. The following are the transactions of M/s Raj Traders for the month of June 2025. Pass the necessary journal entries.

1 June 2025 - Commenced business with cash	80,000
3 June 2025 - Opened a SBI bank account and deposited	30,000
6 June 2025 - Purchased goods for cash	10,000

10 June 2025 - Purchased goods from Ravi on credit	15,000
14 June 2025 - Purchase Computer for personal use	12,000
18 June 2025 - Sold goods to Sita on credit	8,000
20 June 2025 - Paid wages	2,000
24 June 2025 - Paid to Ravi in full settlement of his account	14,800
26 June 2025 - Received from Sita ₹7,800 in full settlement	
28 June 2025 - Paid rent	1,000
29 June 2025 - Bought furniture for office use	5,000
30 June 2025 - Withdrew cash for personal use	2,000

9. From the following transaction, prepare Purchases Book, Sales Book, Purchase Returns Book, Sales Returns Book for the month of July 2024

01 Bought 5 dozen of Accountancy books from Archana Stores at ₹120 per book
03 Sold 60 Management books to Chetan Stores at ₹ 40 per book
05 Purchased 50 Economics books at ₹ 70 per book from Amar book stores, less 10%
08 Bought machinery worth ₹ 4000 from Ganesh Stores
10 Returned 5 accountancy books to Archana Stores
12 Sold 10 dozen note books to Triveni stores at 12 per book
15 Chetan stores returned 4 management books
17 Bought goods worth ₹ 1800 from Anil store
21 Returned 8 Economics books to Archana Stores
23 Sold goods worth ₹ 4000 to Balaji stores 500
25 English books sold to Ganesh Stores at 240 per dozen
27 Goods worth 400 sent back to Anil Stores
30 Sent credit note to Balaji stores for 500

10. The following trial balance is taken from the records of Ashwath Associates as on 31st March 2024. Prepare final accounts in the vertical format.

Particulars	Debit ₹	Credit ₹
Ashwath's Capital	-	60,000
Ashwath's Drawings	10,000	-
Furniture	5,200	-
BOD	-	8,400
Creditors	-	26,600
Premises	40,000	-
Stock (31/03/2023)	64,000	-
Sales	-	3,00,000
Sales returns	4,000	-
Discount	3,200	4000
Insurance	4,000	-
General expenses	8,000	-
Salaries	18,000	-

Commission	4,400	-
Carriage inward	3,600	-
Rent received	-	2,000
Purchases	2,00,000	-
Provision for doubtful debts	-	1000
Bad debts written off	1,600	-
Debtors	36,000	-
Total	**4,02,000**	**4,02,000**

Adjustments:

a) Closing stock valued at ₹ 42,120

b) Write off depreciation for premises ₹ 600 and for furniture ₹ 520

c) Make a provision of 5% on debtors for bad and doubtful debts

d) Prepaid insurance ₹ 1,400

e) Allow interest on capital at 5% per annum

11. Prepare Analytical petty cashbook from the following particulars.

June 2019

1 Received from the main cashier ₹ 500

2 Paid for postage ₹ 40

5 Paid for stationary ₹ 25

8 Paid for advertisement ₹ 50

12 Paid for wages ₹ 20

16 Paid for carriage ₹ 15

20 Paid for conveyance ₹ 22

25 Paid for travelling expenses ₹ 80

27 Paid for postage ₹ 50

28 Wages to office cleaner ₹ 10

30 Paid for telegrams ₹ 20

30 Sent registered notice to landlord ₹ 3