DCBB102

Reg. No. | | | | | | | | |

I Semester B.B.A. Degree Examination, May/June - 2022

BUSINESS ADMINISTRATION

Fundamentals of Accounting

(NEP Semester Scheme)

Paper : 1.2

Time : 2½ Hours **Maximum Marks : 60**

Instructions to Candidates:

Answer should be written in English only.

SECTION - A

Answer any **Five** of the following questions. Each question carries **Two** marks. **(5×2=10)**

1. a. Define Accounting.
   b. What do you mean by Trial Balance?
   c. Give the meaning of cash Discount.
   d. What do you mean by trading Account?
   e. What is computerized accounting?
   f. Write four objectives of accounting.
   g. What do you mean by Bank Reconciliation statement?

SECTION - B

Answer any **Four** of the following questions. Each question carries **Five** marks. **(4×5=20)**

2. State the Advantages of Tally Accounting software.
3. Prepare a Trading Accounting of Mr. Bindu Sagar for the year ending 31st March 2021.

Particulars	Amount (Rs.)
Purchase of materials	2,50,000
Carriage on purchases	6,000
Wages	70,000
Stock of goods on 1.04.2020	3,60,000
Stock of goods on 31.03.2021	3,80,000
Sales	6,50,000
Sales returns	80,000
Purchases returns	30,000
Duty and cleaning charges	70,000
Factory rent and lighting expenses	30,000
Factory salaries	20,000

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4. Journalise the following transactions :

2021 July 1 Ajay started business with Rs. 50,000.

2021 July 2 Paid into bank Rs. 40,000.

2021 July 4 Bought goods Rs. 5,000 for cash.

2021 July 12 Sold goods for cash Rs. 15,000

2021 July 17 Purchased goods from Uday Rs. 7,000

2021 July 18 Sold goods to Vikas Rs. 10,000

2021 July 25 Withdraw from the Bank for personal use Rs. 5,000.

2021 July 30 Paid salaries to staff Rs. 8,000.

5. The following balances have been extracted from the books of M/S Joshita Pvt. Ltd., Vijayawada, on March 2021. You are required to draw out a Trial Balance.

Particulars	Rs.	Particulars	Rs.
Capital	11,60,000	Purchases	2,25,000
Cash - in - hand	1,20,000	M/s Kiran A/c (Dr.)	3,00,000
Udaya (Cr.)	80,000	General Expenses	75,000
Furniture	1,00,000	Land & Buildings	12,55,000
Stock	70,000	Returns inwards	25,000
Drawings	50,000	Advertisement	60,000
Commission received	13,000	Salaries	35,000
		Discount (Cr.)	2,000

6. Prepare a personal account of Mr. Ganesh from the following transactions :

2021 March 1 Debit balance of Ganesh Account Rs. 11,500

2021 March 3 Bought goods from Ganesh Rs. 5,000

2021 March 5 Goods worth Rs. 15,000 sold to him.

2021 March 9 Returned goods to Ganesh Rs. 1,300.

2021 March 15 Received a bearer cheque from Ganesh Rs. 7,000.

2021 March 25 Goods worth Rs. 2,500 sent back to him.

2021 March 30 Ganesh sold goods to us worth Rs. 6,000.

SECTION - C

Answer any **Two** of the following questions. Each question carries **Twelve** marks.

(2×12=24)

7. Enter the following transactions in the subsidiary books of M/S Udayasree for the month of January 2022.

2022

Jan 1 Purchased from Pathi Silk house, 100 silk sarees at Rs. 2,500 each.

Jan 5 Purchased from Nagendra & Co. 200 Kanchi silk sarees at Rs. 10,000 each.

Jan 7 Sold to kumari on account 50 printed sarees at Rs. 3,000 each, 100 kanchi sarees at Rs. 12,000 each.

Jan 8 Claimed for damages from Pathi silks Rs. 500.

Jan 9 Returned damaged goods to Nagendra & Co. 5 Kanchi Sarees.

Jan 12 Purchased from sudharshan silks 150 Mysore silk sarees at Rs. 2500 each, 100 Handloom sarees at Rs. 7,500 each, less trade discount at 10%.

Jan 15 Sold to Kala on account 20 printed sarees at Rs. 3,000 each, 25 Kanchi sarees at Rs. 13,000 each, 20 mysore silk sarees at Rs. 3,000 each.

Jan 20 Sold to kusum sarees 40 Handloom sarees at Rs.10,000 each.

Jan 21 Kumari returned, 10 printed sarees and 20 kanchi sarees.

Jan 25 Returned to Sudharshan's silk, 25 Mysore silk sarees.

Jan 27 Returned from Kusum Sarees, 10 Handloom sarees.

Jan 30 Purchased from Nandi silks, 400 Nandi brand sarees at Rs. 5,000 each.

8. Enter the following transactions in a three column cash book for the month of January 2022.

2022 Jan 1 Commenced business with Rs. 10,000 in cash.

2022 Jan 2 Opened a bank account with SBI Rs. 5,000

2022 Jan 3 Aruna paid us Rs. 4,900 in full settlement of his account for Rs. 5,000.

2022 Jan 5 Bought goods for cash Rs. 5,000.

2022 Jan 8 Draw a cheque for personal use Rs. 2,000.

2022 Jan 10 Draw for office use Rs. 2,000.

2022 Jan 12 Bought goods for Rs. 1,500 and paid by cheque immediately.

2022 Jan 15 Received for cash sales Rs. 10,000.

2022 Jan 20 Paid salaries Rs. 5,000.

2022 Jan 23 Nagesh directly paid into our bank Rs. 10,000.

2022 Jan 25 Cash deposited into bank account Rs. 3,000.

2022 Jan 28 Received commission Rs. 1,000.

2022 Jan 30 Sold goods for cash Rs. 6,000 and remitted the same into the bank.

9. From the following Trial Balance of Mr. Lakshmi Pathi prepare the final accounts after considering the adjustments for the year ending 31st December 2021.

Trial Balance

Particulars	Debit (Rs.)	Credit (Rs.)
Capital Account	-	30,000
Drawings Account	2,600	-
Plant and machinery	12,000	-
Stock on 1st Jan 2021	5,000	-
Purchases	35,000	-
Sales	-	50,000
Sales Returns	2,000	-
Purchase Returns	-	1,000
Sundry debtors	8,000	-
Sundry creditors	-	6,000
Carriage inwards	500	-
Carriage outwards	500	-
Wages	3,000	-
Salaries	2,000	-
Factory Rent	200	-
Office rent	500	-
Insurance	500	-
Discount received	-	600
Discount allowed	300	-
Furniture	2,000	-
Bad debts	400	-
Commission	300	-
Building	8,000	-
Bills payable	-	2,000
Cash in hand	200	-
Cash at bank	600	-
Bills receivable	6,000	-
Total	**89,600**	**89,600**

Adjustments :

a. Stock on 31.12.2021 Rs. 20,000.
b. Prepaid Insurance Rs. 200.
c. Interest on capital at 5%.
d. Office rent outstanding Rs. 400.
e. Depreciation is to be provided at 10% on furniture and plant and machinery.

SECTION - D

Answer any **One** of the following questions, carries **Six** marks. **(1×6=6)**

10. Prepare a Bank Reconciliation statement with imaginary figures.
11. Prepare simple petty cash Book with imaginary figures.