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BACHELOR OF BUSINESS ADMINISTRATION (B.B.A.)(071)/
B.Sc IN BUSINESS ADMINISTRATION(B.Sc.BA)(755)/
BSC SPORTS MANAGEMENT (770)
EXAMINATION: DECEMBER- 2024
SEMESTER - I

Sub.: Fundamentals of Accounting (BBA24-112/BSBA24-112/BSC24-112)

Date : 19/12/2024

Total Marks : 60

Time: 10.00 am To 12.30 pm

- Instructions:** 1) All questions are compulsory.
 2) Figures to the right indicate full marks.

- Q. 1. Choose the most appropriate option. (05)**
1. The Double Entry System of Book-keeping means
 - a) Every debit has a corresponding credit
 - b) Recording transactions in only one account
 - c) Recording transactions in a single entry system
 - d) Recording personal accounts only
 2. The Trial Balance is prepared to
 - a) Prepare a balance sheet
 - b) Check the arithmetic accuracy of ledger postings
 - c) Ascertain the financial position
 - d) Detect errors in transactions
 3. Which of the following accounts is classified as a Real Account?
 - a) Capital Account
 - b) Salary Account
 - c) Cash Account
 - d) Rent Outstanding Account
 4. The Bank Reconciliation Statement is prepared to reconcile the difference between:
 - a) Cash book and Petty cash book
 - b) Trial balance and Balance sheet
 - c) Ledger and Journal
 - d) Bank Statement and Cash book
 5. In the Double Entry System, a Liability is classified as
 - a) A debit in the journal
 - b) A Real Account
 - c) A credit in the journal
 - d) A Personal Account
- Q. 2. State True / False (05)**
1. The Journal is also known as the book of Original entry.
 - a) True
 - b) False
 2. The ledger is prepared before the trial balance.
 - a) True
 - b) False
 3. Real accounts represent all the liabilities of a business.
 - a) True
 - b) False
 4. Bank Reconciliation Statements help in rectifying errors in cash book entries.
 - a) True
 - b) False
 5. The concept of Double Entry Book-keeping was introduced by Luca Pacioli.
 - a) True
 - b) False
- Q. 3. Write Short notes on (Any Three) (15)**
1. Double Entry System of Book-keeping
 2. Classification of Accounts
 3. Journal Entries
 4. Trial Balance

5. Distinguish between cash book and passbook

Q. 4. Answer in detail (Any Two)

(20)

1. Journalize the following transactions in the Books of Radha:
1. November 1, 2024, Radha invested ₹ 2,50,000 in cash to start the business.
 2. November 4, 2024, purchased office furniture worth ₹ 40,000, paying ₹ 20,000 in cash and the balance on credit to Prime Suppliers.
 3. November 8, 2024, bought inventory worth ₹ 60,000 on credit from Rohan Traders.
 4. November 12, 2024, sold goods for ₹ 30,000 in cash, costing ₹ 18,000.
 5. November 15, 2024, sold goods worth ₹ 22,000 on credit to Mehta & Co. The cost of goods sold was ₹ 12,000.
 6. November 18, 2024, paid telephone and internet expenses of ₹ 5,000 in cash.
 7. November 20, 2024, paid ₹ 25,000 as salaries to employees via bank transfer.
 8. November 22, 2024, earned interest income of ₹ 4,000 directly credited to the business bank account.
 9. November 25, 2024, paid ₹ 15,000 in advance to a contractor for renovation services.
 10. November 28, 2024, made a partial payment of ₹ 30,000 to Rohan Traders for the inventory purchased earlier.

2.

From the following larger balance of M/S Narendra traders as on 31st March 2024, prepare Trial Balance

Discount	800	Purchase return	10,000
Return inwards	1,000	Debtors	14,000
Bad debts	1,200	Furniture & Fitting	20,000
General expenses	2,000	Stock	40,000
Rent & Taxes	4,000	Salaries	40,000
provision for bad debt	4,000	Bank loan	40,000
Bank	5,000	Wages	1,10,000
Cash	6,000	Plant & Machinery	1,90,000
Creditor	6,000	Purchases	2,00,000
Rent paid	8,000	Capital	2,00,000
Goodwill	8,000	Sales	4,00,000
Drawing	10,000		

3.

Classify following accounts in three categories : Personal A/C, Real A/C and Nominal A/C

Sundry Expenses	Building	Goodwill
Freight Charges	Carriage Outward	Investment
Bank of India	Lighting Charges	Canteen bill
HDFC	Cash in Hand	Power and Fuel
Painting charges	Trade Expenses	Salaries
Capital	Purchase	Wages
Creditors	Insurance	Factory Rent
Debtors	Sales	Depreciation
Drawing	Printing and Stationery	Advertisement
Car	Bad Debts	Furniture

4. What is a Bank Reconciliation Statement? Explain its purpose and the steps in preparing it.

Q. 5. The following are the transactions of Pratap Traders, dealing in stationery items. **(15)**

November 15 : Started business with cash ₹ 9,00,000
November 18 : Opened bank account by depositing ₹ 3,00,000
November 20 : Bought goods on credit from Prabhu for ₹ 1,50,000
November 22 : Sold goods on credit to Saroj for ₹ 60,000
November 26 : Goods sold for cash ₹ 70,000
November 29 : Paid Prabhu ₹ 1,00,000 through NEFT
November 30 : Received a cheque from Saroj and deposited the same in
bank ₹ 50,000
Prepare Capital A/C, Cash A/C, Purchases A/C, Sales A/C and Bank A/C