

TILAK MAHARASHTRA VIDYAPEETH, PUNE
BACHELOR OF BUSINESS ADMINISTRATION (B.B.A.)

BBA IN SPORTS MANAGEMENT (472)

EXAMINATION: DECEMBER- 2024

SEMESTER - I

Sub.: Fundamentals of Accounting (BBA23-112)

Date : 19/12/2024

Total Marks : 60

Time: 10.00 am To 12.30pm

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

Q. 1. Choose the most appropriate option. (05)

1. The process of recording transactions in a chronological order is known as
 - a) Posting
 - b) Balancing
 - c) Journalizing
 - d) Summarizing
2. Nominal accounts deal with
 - a) Assets and liabilities
 - b) Income and expenditure
 - c) Tangible and intangible items
 - d) Personal accounts
3. A transaction involving the return of goods by a customer is recorded in the
 - a) Purchase Book
 - b) Cash Book
 - c) Sales Returns Book
 - d) None of the given
4. Which of the following accounts will always have a debit balance?
 - a) Expense account
 - b) Capital account
 - c) Sales account
 - d) Liabilities account
5. The credit side of a trial balance includes
 - a) Assets and expenses
 - b) Liabilities and income
 - c) Assets and purchases
 - d) Drawings and losses

Q. 2. State True / False (05)

1. The principle of double entry bookkeeping states that for every debit, there is a corresponding credit.
a) True
b) False
2. Income received in advance is classified under Personal account.
a) True
b) False
3. The process of balancing a ledger account involves calculating the difference between the debit and credit sides
a) True
b) False
4. Ledger accounts are prepared after Journal entries.
a) True
b) False
5. Omitting an entry entirely would still allow the trial balance to balance
a) True
b) False

Q. 3. Write Short notes on (Any Three) (15)

1. Need of Accounting
2. Personal Account
3. Journal Entries
4. Ledger Posting
5. Bank Reconciliation

Q. 4. Answer in detail (Any Two)**(20)**

1. Journalize the following transactions in the Books of Saraswati:
 1. February 1, 2024, Saraswati invested ₹ 1,50,000 in cash to start the business.
 2. February 4, 2024, purchased office furniture worth ₹ 25,000, paying ₹ 10,000 in cash and the balance on credit to MNO Suppliers.
 3. February 8, 2024, bought inventory worth ₹ 40,000 on credit from Kashyap Traders.
 4. February 12, 2024, sold goods for ₹ 20,000 in cash, costing ₹ 12,000.
 5. February 15, 2024, sold goods worth ₹ 15,000 on credit to Indra Traders. The cost of goods sold was ₹ 9,000.
 6. February 18, 2024, paid telephone and internet bills amounting to ₹ 3,000 in cash.
 7. February 20, 2024, paid wages to employees amounting to ₹ 14,000 in cash.
 8. February 22, 2024, earned interest of ₹ 2,500 credited directly to the business bank account.
 9. February 25, 2024, paid ₹ 8,000 in advance to a consultant for business advisory services.
 10. February 28, 2024, made a partial payment of ₹ 20,000 to Kashyap Traders for the inventory purchased earlier.
2. From the following information of Lakshman, prepare Trial Balance as on 31st March 2024.

Advertisement	3,000	Insurance	600
Bill payable	1,000	Machinery	12,000
Bill receivable	600	Office expenses	2,700
Building	30,000	Opening stock	60,000
Capital	40,000	Purchases	65,000
Carriages	2,500	Purchases returns	500
Cash in bank	1,000	Rent	3,500
Creditors	16,000	Reserve fund	21,000
Debtors	18,000	Loan	800
Drawing	2,500	Salaries & wages	4,500
Sales	1,30,000	Travelling	3,000
Sales returns	1,000		

3. Classify the accounts in Personal Account, Real Account and Nominal Account

Rent	Debtors	Cash
Building	Sales	Salaries
Loss	Tata Motors Ltd.	Machinery
University of Pune	Profit	Stationery
Capital	Stock	Packaging Costs
Purchases	Advertisement	Creditors
Transportation	Fixed Assets	State Bank of India
Bank Loan	Interest on Loan	Discount
Insurance	Office Equipment	Electricity Bill
Tax	Goodwill	Customs Duty

4. Define a Bank Reconciliation Statement. Why is it prepared?

Q. 5. The following are the transactions of Agarwal Office Supplies, dealing in office supplies: **(15)**

1. January 2, 2024: Started business with cash ₹ 15,00,000.
2. January 5, 2024: Opened a bank account by depositing ₹ 5,00,000.
3. January 7, 2024: Purchased goods on credit from Verma Distributors worth ₹ 3,00,000.
4. January 10, 2024: Sold goods on credit to Kumar Enterprises for ₹ 1,20,000.
5. January 14, 2024: Sold goods for cash ₹ 1,80,000.
6. January 17, 2024: Paid ₹ 2,00,000 to Verma Distributors through NEFT.
7. January 20, 2024: Received a cheque from Kumar Enterprises and deposited it in the bank for ₹ 1,00,000.

Prepare the following accounts:

1. Capital Account
2. Cash Account
3. Purchases Account
4. Sales Account
5. Bank Account
