SE – 219

I Semester B.B.A. Examination, January/February 2026
(SEP 2024 – 25)
BUSINESS ADMINISTRATION
BBA 1.1 : Fundamentals of Accounting

Time : 3 Hours Max. Marks : 80

***Instruction** : Answer **all** questions in **English only**.*

SECTION – A

Answer **any seven** sub-questions. **Each** sub-question carries **2** marks. **(7×2=14)**

1. a) What is Double Entry system of book-keeping ?
   b) What is an Accounting Cycle ?
   c) Give two examples of current liabilities.
   d) What is a Debit Note ?
   e) Write the rules of Personal A/c.
   f) What is Narration ?
   g) Mention any two objectives of Accounting.
   h) What are Drawings ?
   i) State any two reasons for the preparation of final accounts.
   j) Pass journal entries :
      i) Commenced Business with Rs. 20,000/-
      ii) Paid wages Rs. 10,000/-

SECTION – B

Answer **any three** questions. **(3×8=24)**

2. Explain Accounting Concepts in brief.

3. Enter the following transactions in the purchases book of Manohar, a provisional merchant.
   2025
   Jan. 1. Bought from Bharat Traders, 100 bags of rice at ₹ 80 per bag.
   Jan. 8. Bought from Mysore Sugar Mills Ltd. Mandya, 20 bags of Sugar at ₹ 200 per bag.

Jan. 10. Bought from Ram Flour Mill, Coimbatore, 10 bags of Wheat flour at ₹ 100 per bag.

Jan. 15. Bought from Nilgiri Tea Co; Nilgiris, 10 cases of tea at ₹ 100 per cases.

Jan. 25. Bought Coorg Coffee Works, Coorg, 100 kgs of coffee at ₹ 10 per kg.

4. Enter the following transactions in a simple petty cash book for the month March 2025.

2025	
Mar. 1st	Received a cheque for ₹ 700
" 4th	Paid postage ₹ 50
" 6th	Paid to taxi hired ₹ 100
" 8th	Wages paid ₹ 125
" 13th	Sent postage to Chennai ₹ 40
" 17th	Paid ₹ 60 for cart hired
" 19th	Purchased stationery ₹ 120
" 25th	Tiffin charges for customer ₹ 60

5. Enter the following transactions of Mr. Raghav and prepare a Trial Balance as on 31-3-2024.

	₹		₹
Capital	?	Debtors	20,000
Creditors	50,000	Sales	2,00,000
Purchases	2,50,000	O/s Expenses	15,000
Manufacturing Expenses	12,000	Prepaid Expenses	5,000
Buildings	2,00,000	Closing stock	60,000

6. On 31st March 2024 there was a balance of ₹ 8,900 in the Bank Account of Mr. Bhaskar as per his cash book.

   It was showing as :

   a) The receipt side of the bank column of the cash book had been over cost by ₹ 2,000.
   b) Cheques amounting to ₹ 7,520 were deposited and entered in books but not cleared.
   c) Cheques issued amounting to ₹ 10,460 have not been presented.
   d) Discount allowed ₹ 220 has been entered in the bank column instead of discount column.
   e) A credit note of ₹ 580 received in March 2024 has not been entered in the books.

   Prepare a BRS showing the balance as per Pass Book.

SECTION – C

Answer **any three** questions.

(3×14=42)

7. What is Accounting ? Explain briefly the uses of Accounting Information.

8. Ms. Sowmya Started a business with capital of ₹ 50,000 on 01-01-2024. Other details of her business transaction is given below :

2-1-24	She purchased furniture for ₹ 5,000
3-1-24	Sold goods to Suresh for ₹ 5,000
14-1-24	Bought goods on credit from Vinaya ₹ 8,000
15-1-24	Received cash from Suresh ₹ 3,000
18-1-24	Purchased goods for cash ₹ 12,000
25-1-24	Sold goods for cash ₹ 8,000
28-1-24	Paid rent ₹ 1,200
31-1-24	Paid Vinaya ₹ 3,000 on account.

Pass necessary journal entries in the books of Sowmya and also prepare necessary ledger accounts.

9. Enter the following transactions into respective subsidiary books.

2024

July 01	Purchased goods from Parthiv Delhi ₹ 1,000
" 02	Sold goods to Sanjay Mumbai ₹ 2,000
" 04	Sold goods to Vinay Madras ₹ 4,000
" 10	Bought goods from Venkat Bengaluru ₹ 2,500
" 14	Bought goods from Ravish Hyderabad ₹ 6,000
" 19	Sanjay Returned goods ₹ 200
" 21	Returned goods to Parthiv ₹ 200
" 25	Returned goods to Venkat ₹ 500
" 28	Sold goods Ganesh, Bengaluru worth ₹ 5,000 subject to trade discount of 10%
" 29	Vinay returned goods ₹ 500

10. From the following particulars, prepare Bank Reconciliation statement of Mr. Rajesh as on 31-12-2024.

Balance as per Cash Book ₹ 6,250.

a) Cheque of ₹ 3,100 were issued during the month of December but only cheque for ₹ 1,400 were presented for payment in the month of December.

b) Cash amounting to ₹ 5,900 were deposited in the bank during the month of December but credit was given only for ₹ 3,450.

c) The bank paid during the month of December a sum of ₹ 495 as life insurance premium.

d) The bank credited the merchant for ₹ 100 as interest for which entries not recorded in cash book.

e) The bank debited ₹ 45 as Bank charges and no corresponding entries in cash book.

f) Bank credited ₹ 200 as interest and no entry in cash book.

g) Interest allowed by the bank ₹ 500 not yet entered in the cash book.

11. From the following Trial Balance of Nithin Ltd., prepare Trading and Profit and Loss A/c for the year ending 31st March 2024 and Balance sheet as on that date :

Particulars	**Debit (₹)**	**Credit (₹)**
Purchases	21,750	–
Discount allowed	1,300	–
Salary	6,500	–
Sales	–	35,000
Wages	2,000	–
Travelling Expenses	400	–
Commission	425	–
Carriage Inward	275	–
Office Exp.	105	–
Trade Exp.	600	–
Interest	250	–
Buildings	5,000	–
Furniture	200	–
Debtors	4,250	–
Creditors	–	2,100
Capital	–	13,000
Cash	7,045	–
Total	**50,100**	**50,100**

Adjustments :

i) Stock on 31st March 2024 was ₹ 6,000.

ii) Depreciate buildings by 20%.

iii) Create a provision for bad debts at 10% on Debtors.

iv) O/s salaries ₹ 475.
