

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

**EXAMINATION: MAY- 2024**

**SEMESTER - I**

**Sub.: Fundamentals of Financial Accounting- I (BBA22-112)**

**Date : 27/05/2024**

**Total Marks : 60**

**Time: 10.00am 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. .... is treated as primary entry of any transaction.
  - a) Journal Entry
  - b) Ledger
  - c) Accounting
  - d) None
2. Financial position of the business means.....
  - a) Position about profits and losses
  - b) Position about incomes and expenses
  - c) Position about liquid funds
  - d) What the business owes to others and what it owns at a given point of time
3. Advertisement A/c is ..... A/c
  - a) Real
  - b) Personal
  - c) Nominal
  - d) None
4. Land and Building A/c is..... A/c
  - a) Real
  - b) Personal
  - c) Nominal
  - d) None
5. In the.....every business transaction affects Two sides of the same account.
  - a) double-entry system
  - b) a and c both
  - c) Single entry system
  - d) None

**Q. 2. State True / False (05)**

1. Maruti Suzuki India Ltd. is an example of personal account.
  - a) True
  - b) False
2. Interest paid is an expenditure for a business.
  - a) True
  - b) False
3. Story is a brief summary of transaction.
  - a) True
  - b) False
4. Trade Discount is shown in the books of accounts.
  - a) True
  - b) False
5. Money Measurement concept tells that to recognize revenue it has to be realized.
  - a) True
  - b) False

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

1. Capital
2. Drawing
3. Classification of Accounts
4. Double Entry System
5. Discount

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

1. Sunil is a sole proprietor having a provisions store. Following are the transactions during the month of January, 2024. Journalise them.
  - 1 Commenced business with cash Rs.2,00,000
  - 2 Deposited cash with bank Rs. 60,000

- 7 Purchased goods by paying cash Rs. 70,000
- 14 Purchased goods from Lipton & Co. on credit Rs.1,00,000
- 15 Sold goods to Joy and received cash Rs. 90,000
- 19 Paid salaries by cash Rs. 70,000
- 20 Credit sales to Kavya Rs. 60,000
- 22 Bought furniture by cash Rs. 80,000
- 23 Paid electricity charges by cash Rs. 4,000
- 25 Rs. 20,000 paid for insurance premium.

2. Saraswati Traders is well establish business in Pune. They provided closing balances of ledger accounts on 31st March 2022. You are require to create Trial Balance.

Rent	9,000	Patents	20,000
Furniture	20,000	Capital	1,40,000
Printing and stationery	10,200	Sundry creditors	66,000
Discount	2,300	Bank overdraft	35,000
Cash in hand	4,500	Discount	3,650
Sales	1,52,500	Goodwill	40,000
Plant and Machinery	60,000	Salary	7,000
General expenses	2,200	Carriage	5,500
Trade expenses	3,000	Advertisement	4,800
Opening stock	27,000	Electricity charges	1,650
Sundry debtors	31,500	Purchases	78,500
Land and building	70,000		

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

Cash in Hand	Power and Fuel	Depreciation
Trade Expenses	Salaries	Interest Fund Investment
Carriage Outward	Investment	Freight Charges
Advertisement	Drawing	Printing and Stationery
Building	Goodwill	Sundry Expenses
Capital	Purchase	Carriage Inward
Debtors	Sales	
Creditors	Insurance	Factory Rent
Fixed Deposit	Bad Debts	Furniture
Miscellaneous Expenses	Bank of Maharashtra	Lighting Charges

4. Explain in detail utility of accounting for a business.
- Q. 5.** The following are the transactions of Ruhi dealing in stationery items. (15)
- April 5 : Started business with cash Rs. 5,00,000
  - April 8 : Opened bank account by depositing Rs. 2,00,000
  - April 12 : Bought goods on credit from Sri Ram for Rs. 1,80,000
  - April 15 : Sold goods on credit to Selva for Rs. 6,40,000
  - April 22 : Goods sold for cash Rs. 1,00,000
  - April 25 : Paid Vidya Rs. 1,40,000 through NEFT
  - April 28 : Received a cheque from Nutan and deposited the same in bank Rs. 1,10,000
- Prepare Capital A/C, Cash A/C, Purchases A/C, Sales A/C and Bank A/C