

## Rajiv Gandhi University of Health Sciences, Karnataka

I Semester Bachelors in Hospital Administration Degree Examination – OCT-2019

Time: Three Hours

Max. Marks: 80 Marks

### Fundamentals of Accounting

Q.P. CODE: 1303

(QP contains Two Pages)

Your answers should be specific to the questions asked

Draw neat, labeled diagrams wherever necessary

#### LONG ESSAYS (Answer any Two)

2 x 10 = 20 Marks

1. Explain different kinds of accounting concepts and conventions.
2. Prepare trading and profit and loss account for the year 31<sup>st</sup> March 2017 and a balance sheet as on that date.

PARTICULARS	AMOUNT	PARTICULARS	AMOUNT
CAPITAL	40,000	Depreciation	4,600
Bad debts	1,000	Bad debts provision	3,000
Salaries	8,000	Outstanding salaries	1,000
Insurance	1,300	Debtors	50,000
Prepaid insurance	300	Creditors	40,000
Purchase (less closing stock)	1,50,000	Closing stock	22,400
Machinery	36,000	Sales	2,10,000
Furniture	5,400	Opening stock	15,000

3. Enter the following transactions in proper subsidiary books

Mar 01 – Bought from Albert Rs.2,000  
Mar 02 – Sold goods to Brown Rs.1,000  
Mar 08 – David bought goods from us Rs.700  
Mar 10 – Received goods returned by Brown Rs.80  
Mar 12 – We returned goods to Albert Rs.50  
Mar 18 – Sold goods to Mohan Rs.500  
Mar 22 – Purchased goods from Moses Rs.600  
Mar 25 – Returned goods to Charles Rs.100  
Mar 30 – Sold goods to Salomon Rs.600

#### SHORT ESSAYS (Answer any Eight)

8 x 5 = 40 Marks

4. Explain branches of accounting.
5. Explain limitations of accounting.
6. Differentiate between profit and loss account and balance sheet.
7. What are the different types of accounts? Explain golden rules of accounts.
8. Explain different types of errors.
9. Journalise the following transaction in the books of Ram:  
July 1-Started business with cash Rs.4,000  
July 2-Purchased machinery Rs.2,000  
July 10-Bought furniture from Suresh Rs.500  
July 12-Sold furniture Rs.100  
July 15-Purchased goods from Srinivas on account Rs.4,000  
July 18-Sold goods to Sridhar Rs.2,000  
July 25-Returned damaged goods to Srinivas Rs.50  
July 27-Received cheque from Sridhar Rs.1,000
10. Prepare a personal account of Varun from the following transactions in the books of Ganesh:  
Mar 1-Debit balance of Varun Rs.1,050  
Mar 5-Bought from Varun Rs.1,500  
Mar 7-Cheque issued to Varun Rs.1,800  
Mar 9-Sold to Varun Rs.3,500

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Mar 12-Ganesh sold goods to varun Rs.1,600

Mar 14-Varun sold goods to ganesh Rs. 900

Mar 20-Received cheque from varun Rs.1,800

Mar 24-Varun claimed as allowance of Rs.300 for damaged goods

Mar 28-Varun received goods returned by ganesh Rs.450

11. Enter the following transactions in simple cash book

July 1-Balance of cash in hand Rs.15,000

July 8-Purchased goods for cash from X for Rs.3,200

July 15-Sold goods for cash Rs.4,800 to Y

July 20-received commission is Rs.650

July 21-Paid commission Rs.550

July 28-Paid to satish on account Rs.7,150

July 31-Paid salary to the office clerk Rs.1,000 and office rent Rs.600

12. From the following balances prepare a trial balance

Capital	80,000	Sales	50,000
Purchases	30,000	Salaries	4,000
Rent	3,000	Insurance	600
Drawings	10,000	Bills payable	5,000
Machinery	56,000	Bank	9,000
Cash	4,000	Stock	10,400
Debtors	5,000	Creditors	2,000
Bills receivable	3,000	Loan to madhu	2,000

13. Enter the following transactions prepare bank reconciliation statement as on 31-8-2016:

- Bank balance as per cash book Rs.8,000
- Cheques of Rs.1,000, 2,000 and 3,000 issued on 8<sup>th</sup>, 10<sup>th</sup> and 13<sup>th</sup> of august of these a cheque issued on 10<sup>th</sup> only was not presented for payment till 31<sup>st</sup> august
- Interest and dividend collected by the banker on 25<sup>th</sup> august and informed the customer on 1<sup>st</sup> September Rs.500
- Cheques of Rs.3,300 deposited into bank of which a cheque of Rs.2,300 only collected in august
- A cheque of Rs.2,000 received and debited in cash book but not sent to bank till 31<sup>st</sup> august
- The following entries found in pass book only:
  - i)Interest on bank balance Rs.250 ii)Electricity bill paid Rs.400 iii)Commission charged Rs.50

### SHORT ANSWERS (Answer any ten)

10 x 2 = 20 Marks

- What is book keeping?
- Define accounting.
- What is meant by accounting equation?
- What is meant by journal?
- What is meant by posting?
- What is meant by suspense account?
- What is meant by petty cash book?
- What is meant by balance sheet?
- What is a creditor?
- What is meant by overdraft?
- What is meant by double entry system of book keeping?
- How do you treat outstanding salaries of final accounts?

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