

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 31st 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

Rajiv Gandhi University of Health Sciences, Karnataka

- 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 8th, 10th and 13th of august of these a cheque issued on 10th only was not presented for payment till 31st august
 - Interest and dividend collected by the banker on 25th august and informed the customer on 1st 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 31st 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

14. What is book keeping?
15. Define accounting.
16. What is meant by accounting equation?
17. What is meant by journal?
18. What is meant by posting?
19. What is meant by suspense account?
20. What is meant by petty cash book?
21. What is meant by balance sheet?
22. What is a creditor?
23. What is meant by overdraft?
24. What is meant by double entry system of book keeping?
25. How do you treat outstanding salaries of final accounts?
