

**Rajiv Gandhi University of Health Sciences, Karnataka**  
**I semester Bachelors in Hospital Administration Degree Examination – 02-Jun-2025**

**Time: Three Hours**

**Max. Marks: 80 Marks**

**FUNDAMENTALS OF ACCOUNTING - (RS)**

**Q.P. CODE: 3231**

**(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. What is meant by generally accepted accounting principles? Enumerate the accounting concepts and conventions in details
2. What is trial balance? Explain the types of errors occurred by trial balance
3. The following balances are extracted from the books of Nikhil & Co on 31<sup>st</sup> March 2020. You are required to prepare trading, P/L account and balance sheet as on that date

	Rs.		Rs.
Opening stock	500	Commission (Cr)	200
B/R	2,250	Return outwards	250
Purchases	19,500	Trade expenses	100
Wages	1,400	Office fixtures	500
Insurance	550	Cash in hand	250
Debtors	15,000	Cash at bank	2,375
Carriage inwards	400	Rent and taxes	550
Commission (Dr)	400	Carriage outwards	725
Interest on capital	350	Sales	25,000
Stationery	225	Bills payable	1,500
Return inwards	650	Creditors	9,825
Capital	8,950		

- Closing stock was valued at Rs.12,500

**SHORT ESSAYS (Answer any Eight)**

**8 x 5 = 40 Marks**

4. The bank statement of Mr. J. White dated 31-12-2013 showed a balance with his Bank of Rs.924, when checked with his cash book the following were noted:
  - a) During December, the bank had paid Rs.200 for a yearly contribution of Mr. White, made to a local charity, as per his standing order. This amount appeared in the Bank statement but not in the cash book
  - b) The bank had credited his account with Rs.28 interest and had collected on his behalf Rs.230 as dividends. No corresponding entries were made in the cash book
  - c) A cheque of R.65 deposited into the bank on 28-12-2013 was not cleared by the bank till after 31-12-2013
  - d) A cheque of Rs.150 deposited into and cleared by the bank before 31-12-2013 was not entered in the cash book, through an oversight
  - e) Cheques drawn by and posted to parties by Mr. White on 31-12-2013 for Rs.73, Rs.119 and Rs.46 were presented for payment to the bank only on 03-01-2014

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5. Prepare trial balance as on 31-03-2012 from the following balances

Machinery	2,15,400	Bills payable	31,700
Drawings	74,800	Income tax	9,500
Stock on 01/01/2017	30,000	Insurance	2,700
Furniture	33,000	Sundry expenses	21,000
Purchases	2,95,700	Discount received	1,000
Capital	2,50,000	Closing stock	17,000
B/R	52,500	Discount allowed	950
Sales	3,35,350	Sundry creditors	75,000
Building	12,000	Printing charges	1,500
Rent	72,500	Bank loan	1,20,000
Freight	3,500		

6. Enter the following transactions in the 3 column cash books of Mr. Abhishek

Jan 1	Opening cash balance was Rs.3,800 and bank balance was Rs.27,500
Jan 4	Wages paid in cash Rs.1,500
Jan 5	Received cheque of Rs.19,800 from KBK enterprises after allowing discount of Rs.200
Jan 7	Paid to consultancy charges by cheque for RS.7,500
Jan 10	Cash of Rs.2,500 withdrawn from bank
Jan 12	Received a cheque for rs.4,500 in full settlement of the account of Mr. X at a discount of 10% and deposited the same into the bank
Jan 15	X's cheque returned dishonored by the bank

7. What is subsidiary books and its features?
8. What is trading and profit and loss account? Briefly explain it with an illustration
9. What is bank reconciliation statement? What is the need of bank reconciliation statement?
10. What is cash book? Explain different types of cash book
11. State the various causes responsible for the disagreement between bank balance as per cash book and bank balance as per pass book
12. State and explain the rule for journalising transactions
13. Name and describe the various books of original entry

## SHORT ANSWERS (Answer any ten)

**10 x 2 = 20 Marks**

14. What is book keeping?
15. What is accounting equation?
16. What is opening and closing statement of affairs?
17. What is trade discount?
18. What is profit and loss account?
19. What is meant by the term debit and credit?
20. What is passbook?
21. What is accrued income?
22. What is meant by a non-profit organization?
23. What is journal folio and ledger folio?
24. What is an asset?
25. What is petty cash book?

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