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**SARDAR PATEL UNIVERSITY**  
**BBA (ISM) I SEMESTER (CBCS)**

**Saturday, 25 April 2015**

Subject Code: UM01CBBS05

Subject Title: Accounting For Management

**Time: 02:30 pm to 04:30 pm**

**Total Marks: 60**

**Que.1 a) Discuss following accounting terms: (08)**

1. Capital      2. Debtors
3. Goods       4. Voucher

**b) Explain rules of debit and credit for personal, real and nominal account with illustration. (07)**

**Or**

**Que.1 a) Discuss following accounting terms: (08)**

1. Drawings    2. Expenditure
3. Assets       4. Purchase

**b) Define Accounting. Discuss objects of keeping accounts. (07)**

**Que. 2 (a) Discuss following accounting concepts: (06)**

1. Money measurement concept
2. Dual aspect concept

**(b) Discuss following accounting conventions: (09)**

1. Conservatism
2. Disclosure

**Or**

**Que. 2 (a) Discuss following accounting concepts: (09)**

1. Going concern concept
2. Business entity concept
3. Matching concept

**(b) Define IFRS with its list. Why it is needed? (06)**

**Que. 3 Write the following transactions of shri Vinith in his journal (15)**

Jan '13	
1	Vinith started business with cash rs.10000, furniture rs. 500 and stock of goods rs. 1000.
1	As more money is needed in business, a loan of rs. 1500 at 8% interest is taken from Priyank.

4	Opened a bank account and paid rs. 7500 in it.
6	Sold goods to sapna rs.250, for which cash rs. 150 is received.
8	Purchased a table of rs. 200 for shop and a chair of rs.150 for home from Akshay furniture bazaar for cash.
10	Sold goods on credit to valay rs.200 and to nishit for cash rs. 150.
14	Bought goods of rs. 800 at 10% trade discount from shivangi, on the condition that 5% cash discount will be allowed if payment is made within 15 days. Paid half the amount by cheque.
15	Given goods worth rs. 130 to flood relief fund.
16	Received an order from sheena for supplying goods of rs.100.
17	Sent goods to sheena as per order.
20	Paid salary in cash to nitya rs.100 and paid by cheque rs.110 for stationary.
23	Purchase a shop for rs.6000 by cheque and paid rs.200 in cash for brokerage.
24	Joy was employed as an apprentice and rs.100 is received from him as an apprentice premium.
25	Valay is declared insolvent and the amount due from him is written off.
27	Paid the amount due to shivangi in cash.
28	Vinith paid rs.125 for his son's tuition fees.
30	Sapna paid rs.95 and settled her account.
31	Paid interest for one month on priyank's loan.

**Or**

**Que. 3** Record the following transactions of shri miraj shah in his journal, post them to ledger account, find out the balances and say whether they are debit or credit balances. **(15)**

<b>May '13</b>	
1	Miraj started business with cash rs. 50000.
3	Purchased goods of rs. 15000 at a trade discount of 10% from vaibhav.
5	Paid rs.10000 to vaibhav.
7	Sold goods of rs. 8000 to jay at rs. 7000 for cash and opened a bank account with that amount.
9	Purchase a typewriter for rs. 8500.
12	Sold goods for cash at trade discount of 10% to jayshree rs. 12000.
14	Sold goods of rs. 5000 purchased from vaibhav to jigar at a profit of 10%.
18	Jigar returned goods of rs. 1100 which we return to vaibhav
24	Received rs. 3000 by crossed cheque from jigar
31	Paid rs. 1500 for rent by cheque.



**Que. 4** from the following trial balance of Mr. Shah, prepare trading and profit and loss account for the year ending 31<sup>st</sup> March 2014 and balance sheet as on that date: (15)

**Trial Balance**

Debit Balance	Rs.	Credit Balance	Rs.
Opening stock (1-4-2013)	17000	Capital	100000
Purchases	96100	Creditors	55600
Wages	7400	Sales	172000
Carriage inward	5400	Rent	2400
Carriage outward	2000		
Salary	6000		
Buildings	80000		
Furniture	4600		
Depreciation on furniture	500		
Debtors	81000		
Insurance Premium	1600		
Printing and Stationary	2500		
Sundry Expenses	4400		
Repairs	1000		
Cash on hand	12500		
Drawings	8000		
	<b>330000</b>		<b>330000</b>

**Adjustments:**

1. Value of closing stock was rs.7600
2. Rs.1200 was outstanding for salaries
3. Depreciate building by 5%
4. Insurance paid in advance rs.100
5. Building's rent received in advance was rs.300
6. Credit purchase of rs.700 was not recorded in the books of account

**Or**

**Que. 4** Draw the specimen of Trading A/C, Profit and loss A/C and Balance sheet with imaginary figures. (15)

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