

C28J

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SC-1

**SARDAR PATEL UNIVERSITY**  
**BBA (ITM) (SEMESTER - I) (NC) EXAMINATION**  
**19<sup>th</sup> April, 2016 (Tuesday)**  
**2:30 PM to 4:30 PM**

**UM01CBB105 – ACCOUNTING FOR MANAGEMENT**

**Total Marks: 60**

**Note: Figures in the right indicate marks.**

- Q-1 [A] Define accounting. Discuss Objectives of Accounting in detail (10)  
[B] Give Rules of Debit and Credit with appropriate Examples. (05)

**OR**

- Q-1 [A] Give meaning of following terms: (10)  
1. Capital  
2. Profit  
3. Goods  
4. Discount  
5. Creditors  
[B] Write note on: Branches of Accounting (05)

- Q-2 [A] Enlist International Financial Reporting Standards (IFRS). (05)  
[B] Explain following Accounting Concepts: (10)  
1) Dual Aspect Concept  
2) Convention of Full Disclosure

**OR**

- Q-2 Short Note on: (15)  
1. Matching Concept  
2. Going Concern Concept  
3. Convention of Materiality

- Q-3 Journalize the following transactions in the Books of Parikh Ltd. (15)  
Debit balance on Jan 1, 2016: Cash in Hand Rs. 8,000, Cash at Bank Rs. 25,000, Stock of Goods Rs. 20,000, Furniture Rs. 2,000, Building Rs. 10,000, Sundry Debtors includes Mr. A Rs. 2,000, Mr. B Rs. 1,000, Mr. C Rs. 2,000.

Credit balance on Jan 1, 2016: Sundry Creditors Rs. 5,000 and Loan from Raj Rs. 10,000

2016	Transactions
Jan. 1	Purchased goods worth Rs. 5,000 for cash less 20% trade discount and 5% cash discount.
Jan 4	Received Rs. 1,980 from Mr. A and allowed him Rs. 20 as discount.
Jan 6	Purchased goods from Bharat Rs. 5,000.
Jan 8	Purchased plant from Mukesh for Rs. 5,000 and paid Rs. 100 as cartage for bringing the plant to the factory and another Rs. 200 as installation charges.
Jan 12	Sold goods to Rahim on Credit Rs. 600.

Jan 15	Rahim became insolvent and could pay only 50 paise in a rupee.
Jan 18	Sold goods to Ram for cash Rs. 1,000
Jan 20	Paid salary to Ratan Rs. 2,000
Jan 21	Paid Bharat Rs. 4,800 in full settlement.
Jan 26	Interest received from Madhu Rs. 200
Jan 28	Paid to Raj interest on loan Rs. 500
Jan 31	Sold goods for cash Rs. 500
Jan 31	Withdrew goods from business for personal use Rs. 200.

**OR**

**Q-3 [A]** Explain the errors disclosed by Trial Balance. (10)

**[B]** What is Subsidiary Books? Give Specimen of the Purchase Book & Sales Book. (05)

**Q-4** Explain & Give specimen of Trading Account, Profit & Loss Account and Balance Sheet with imaginary figures. (15)

**OR**

**Q-4** Following information is given in the books of Ms. Radha on 31<sup>st</sup> December, 2015: (15)

Particulars	Rs.	Particulars	Rs.
Manufacturing Expense	2,000	Land	12,000
Opening Stock	5,000	Building	8,000
Purchase	30,000	Furniture	5,000
Stock	8,000	Fixtures	3,000
Sales	62,000	Fittings	2,000
Wages	5,000	Cash	3,000
Direct Expense	2,000	Bank	5,000
Rent	1,000	Investment	5,000
Rate	2,000	Bills Receivable	2,000
Tax	3,000	Debtors	5,000
Salary	5,000	Patent	3,000
Office Charges	2,000	Purchase Return	2,000
Discount allowed	2,000	Trade Marks	4,000
Commission paid	3,000	Copyrights	2,000
Financial Expense	5,000	Goodwill	3,000
Interest	2,000	Pattern	5,000
Operating Expense	2,000	Prepaid Expenses	3,000
Capital	50,000	Discount on issue of shares	5,000
Reserve	38,000	Preliminary Expenses	3,000
Debentures	5,000	Research & Development	2,000
Creditors	5,000	Bank overdraft	8,000
Plant	10,000	Differed Revenue	4,000
Machinery	5,000		

Prepare Trading Account, Profit & Loss Account and Balance Sheet.