

SARDAR PATEL UNIVERSITY
BBA (ISM) (I Semester) Examination
Wednesday, 13th June, 2012
11am - 1pm

UM01CBBS05 : Accounting for Management

Total Marks: 60

Note: Figures to the right side indicate marks of question.

Q.1 Define Accounting. State its objectives and limitations. [15]

OR

Q.1

(A) Explain the following terms. [06]

- | | | |
|------------|------------------|--------------|
| (1) Goods | (3) Capital | (5) Gain |
| (2) Assets | (4) Depreciation | (6) Drawings |

(B) Explain the types of accounts. Give three illustrations for each of them. [09]

Q.2 What do you mean by Accounting concepts ? Discuss basic accounting concepts. [15]

OR

Q.2 What is Accounting standards ? List out the International Financial Reporting standards. Discuss any three out of them. [15]

Q.3 Journalise the following transactions. [15]

2011

- Oct. 1 Started business with Rs.40000.
- " 3 Deposited into Bank of India Rs.12000.
- " 5 Purchased goods of Rs. 15000.
- " 8 Sold goods Rs.6000.
- " 10 Purchase cupboard and paid by cheque Rs.5000.
- " 11 Sold goods to Arvind Rs.4000
- " 12 Purchase goods at 2% discount from Amrit Rs.10000
- " 15 Returned goods of Rs. 500 to Amrit.
- " 16 Arvind settled his account for Rs.3750.
- " 17 Withdraw goods for personal use Rs.1000
- " 20 Paid telephone charge Rs.1200
- " 22 Cash paid to Amrit in full settlement Rs.9200.
- " 25 Goods distributed as free sample of Rs.500.
- " 27 Placed an order to supply goods to Arun for Rs.5000 at 5% trade discount and at 2% cash discount.
- " 31 Withdraw cash of Rs.1000 from Bank of India.

OR

Q.3 Differentiate between : [15]

1. Cash discount and trade discount.
2. Journal and Ledger.
3. Errors of omission and Errors of Commission.

Q.4 The following are the balances extracted from the books of S. Sundar as on 31st March 2011. From these balances and sub-joined information prepare his final accounts. [15]

Particulars	Debit Rs.	Credit Rs.
Purchases and Sales	21000	36000
Debtors and Creditors	4000	8600
Capital	--	25000
Travelling expenses	400	--
Discount allowed and received	2000	1000
Wages	7000	--
Salaries	2000	--
Commission	600	--
Trade expenses	400	--
Office expenses	300	--
Interest	500	--
Carriage inward	800	--
Building	15000	--
Machinery	8000	--
Furniture	3600	--
Opening Stock	4000	--
Cash at Bank	1000	--
	70600	70600

Adjustments to be considered:

- (1) Closing stock valued at Rs.8000.
- (2) Depreciate Building by 2% Machinery by 10% and furniture by 20%.
- (3) Outstanding office expenses Rs.200.
- (4) Allow 4% interest on capital.

OR

Q.4

- (A) What are final accounts ? State the objects of preparing final accounts. [10]
- (B) Give specimen of Balance sheet for a proprietor. [05]

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