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SARDAR PATEL UNIVERSITY
BBA (ITM) Semester - I Examination
Accounting for Management
UM01CBB105
20th November, 2013
2:30 p.m. to 4:30 p.m.

Total Pages: 02
Total Marks: 60

Que.1

(A) What is accounting? How it is differ from book-keeping?

(07 Marks)

(B) Explain following terms:

(08 Marks)

- (1) Creditors
- (2) Capital
- (3) Expenses
- (4) Assets

OR

Que.1

(A) Explain the rules of debit & credit under double entry system.

(08 Marks)

(B) Explain Scope of Accounting.

(07 Marks)

Que.2

(15 Marks)

Write Notes on any three (3)

- (A) Business Entity Concept
- (B) Money Measurement Concept
- (C) Convention of Consistency
- (D) Convention of Conservatism (Doctrine of Prudence)
- (E) Realization Concept
- (F) Going Concern Concept

Que.3

(15 Marks)

From the following transactions, pass journal entries in books of Mr. Kamal, in books of January, 2013.

- Jan.1, Started business with Rs.1, 20,000 cash on hand
Jan.2, Bought furniture of Rs.60, 000 amount paid by cash
Jan.3, Bought good on credit from Amar of Rs.1, 00,000 at 10% trade discount
Jan.5, Half the goods purchased from Amar sold to Samir after adding 25% profit
On selling price, and half the amount received by cheque
Jan.7, Samir return half of the goods purchased by him, which is immediately
Return to Amar
Jan.10, Paid life insurance premium by cheque Rs.10, 000
Jan.12, Cash sales Rs.25, 000
Jan.13, Paid wages to assistants in cash Rs.2, 000
Jan.16, All the remaining amount paid to Amar by Cash.
Jan.20, Sold good on credit to padma stores Rs.50, 000
Jan.21, Bank loan of Rs.75000 received from ICICI Bank
Jan.23, Goods Purchase on Credit from Rohit Rs. 40,000
Jan.24, Stationary of Rs. 1,000 purchase on cash
Jan.27, Cash purchase Rs. 20,000
Jan.30, Goods of Rs.5, 000 and cash of Rs.3, 000 taken for personnel use

OR

Que.3

(15 Marks)

Write notes on:

- (1) Sales Book
- (2) Sales Return Book
- (3) Purchase Book
- (4) Purchase Return Book
- (5) Cash Book

Que.4

(15 Marks)

Following is the Trial Balance of Viral as on 31st March 2013.

PARTICULARS	DEBIT (RS.)	CREDIT (RS.)
Opening stock	75,000	
Stationery and printing	1,250	
Drawings & capital	25,000	2,22,500
Purchases & sales	1,50,000	3,00,000
Personal accounts	1,37,500	92,500
Plant & machinery	1,00,000	
Buildings	1,00,000	
Repairs	1,250	
Goods returned	2,500	1,250
Discount	550	1,500
Interest on Bank overdraft and Bank charges	200	
Wages	13,000	
Salesmen's traveling expenses	1,500	
Bad debts and Reserve for bad debts	1,000	4,750
Salary	12,500	
Insurance and Taxes	2,000	
Cash and Bank balance	1,250	2,000
TOTAL	6,24,500	6,24,500

Adjustments:

- 1) The closing stock is valued at Rs.50,000
- 2) Depreciate plant & machinery at 10%
- 3) Calculate interest on opening balance of capital at 6% and interest on Drawings Rs.875
- 4) Rs.250 is outstanding for salaries, while insurance includes Rs.125 prepaid and Rs.250 for life insurance premium.
- 5) Of the debtors Rs.2,500 is to be written off as bad debts and provision at 5% on debtors is to be made for doubtful debts.
- 6) Mr. Viral has withdrawn goods of Rs.250 for personal use.

You are required to prepare Trading A/c, P & L A/c, and Balance Sheet

OR

Que.4

(15Marks)

Prepare Balance Sheet of a sole proprietor with imaginary figures, with minimum 15 transactions on each side of Balance Sheet.