

[144/148]

SARDAR PATEL UNIVERSITY

F.Y.B.B.A. (HM/TTM) Examination (3 Year)(NC), Semester – I

26th October 2018 Time: 2:00 PM TO 4:00 PM**PRINCIPLES AND PRACTICES OF ACCOUNTING (UM01CBBH11/T11)****Note: Figures in the bracket to the right indicates marks.****Total Marks: 60**

- Q-1 (A) What is accounting? Discuss scope and objectives of accounting. (08)
 (B) Explain types of Accounts and their rules for debit and credit. (07)

OR

- Q-1 (A) Explain the following accounting terms: (07)
 1) Fixed Assets 5) Reserves
 2) Current Liabilities 6) Bad debt
 3) Debtors 7) Income
 4) Creditors

- (B) Explain following accounting concepts/assumptions. (08)
 1) Continuity doctrine 3) Prudence
 2) Accrual Concept 4) Materiality

- Q-2 (A) Differentiate between journal and ledger. (07)
 (B) What is subsidiary book? List out different subsidiary book and give the pro-forma of Cashbook. (08)

OR

- Q-2 (A) Following are the transaction of Mr. Ram for the month of September 2018. (07)

1/9/2018 Commenced business with Rs. 5,00,000 cash.
 5/9/2018 Deposited Rs. 3,00,000 in to bank.
 12/9/2018 Purchased goods of Rs. 2,00,000 for with 10% trade discount.
 15/9/2018 Sold goods of Rs. 1,00,000 for cash.
 18/9/2018 Purchased Delivery van of Rs. 50,000 for office.
 21/9/2018 Sold goods of Rs. 1,00,000 to Mr. Kanan.
 24/9/2018 Received Interest Rs. 2000.
 26/9/2018 Sold goods of Rs. 1,00,000 to Hina on credit.
 30/9/2018 She Paid Rent Rs. 1,000 and Rs. 5,000 salary.

Give the journal entries.

- Q-2 (B) The following balances were extracted from the ledger of Mr.Rama-Krishna as on 31st March 2018. You are required to prepare a trial balance as on that date. (08)

	Rs.		Rs.
Drawings	60,000	Salaries	95,000
Capital	2,40,000	Sales return	10,000
Sundry creditors	4,30,000	Purchase return	11,000
Bills payable	40,000	Commission paid	1,000
Sundry debtors	5,00,000	Trading expenses	25,000
Bills receivable	52,000	Discount earned	5,000
Plant & Machinery	45,000	Rent	20,000
Opening stock	3,70,000	Bank overdraft	60,000
Cash in hand	9,000	Purchases	7,08,000
Cash at bank	25,000	Sales	11,80,000
		Suspense A/c(Dr.)	46,000

- Q-3 (A) What is depreciation? Discuss objectives and causes of providing depreciation. (10)
 (B) Write note on "Straight Line Method of Depreciation" (05)

OR

(1)

(P.T.O)

Q-3 Santa Fruits Pvt. Ltd. purchased a Machinery on 1-4-2015 for Rs.5,00,000. The Company charges depreciation at 10% Written Down Value V. He sold machinery on 31st March 2018 at Rs. 3,00,000. Accounts are closed on 31st March every year. Give the journal entry and Prepare Machinery Account and Depreciation Account for three years. Show all calculation as a part of your answer. (15)

Q-4 From the following information prepare Trading Account, Profit & Loss Account for the year ending and Balance sheet as on 31st March 2015. (15)

Debit Balance	Amount (Rs.)	Credit Balance	Amount (Rs.)
Cash in hand	2,100	Sales	98,780
Purchase	40,675	Purchase return	500
Wages	10,480	Capital	71,000
Carriage inwards	2,040	Sundry Creditors	6,000
Stock (1-4-2014)	5,760	Bills Payable	1860
Machinery	20,000		
Goodwill	7,500		
Salaries	15,000		
Insurance	3,600		
Sundry Debtors	14,500		
Drawings	5,245		
Cash at Bank	2,630		
Sales return	680		
Fuel	4,730		
Carriage outward	3,200		
Building	40,000		
	1,78,140		1,78,140

Additional Information:

- 1) depreciate building by 10% and Machinery by 20%.
- 2) Salaries outstanding Rs. 2,000
- 3) Provide Bad Debt Reserve at 5% on sundry debtors
- 4) Closing stock was value at Rs. 6,800
- 5) Prepaid insurance amounts to Rs. 200

OR

Q-4 Prepare the pro-forma of Trading Account, Profit and Loss Account, Profit and Loss Appropriation Account and Balance sheet for Joint Stock Company. (15)

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(2)