

[110]

SARDAR PATEL UNIVERSITY
BBA(ISM) 1st SEMESTER
(CBCS) EXAMINATION
2018

Saturday, 27th, October
 2.00 P.M – 4.00 P.M.

Accounting For Management-UM01DBBS21

Total Marks: 60

Note: Figures to the right indicate full marks

- Q.1a) Explain the word accounting. What is the scope of accounting? [08]
 b) What are the advantages and limitations of accounting? [07]

OR

- Q.1a) Discuss the classification of business transaction and rules of Debit and credit. [09]
 b) Explain: Debtors, Reserve and Provisions and Depreciation [06]

- Q.2a) Write on accounting principles. [08]
 b) Accounting conventions of P/L account and Balance sheet. [07]

OR

- Q.2 Discuss the following: [15]
 1. AS 6 Depreciation Accounting
 2. AS 9 Revenue Recognition

- Q.3 Journalize the following transaction, post them to ledger and find out the balances of accounts. [15]

1. Shri Patel started business with cash ₹.50000 and furniture ₹.10,000.
2. Opened a bank account with DCB Bank and paid ₹.40,000 into it.
3. Purchased goods from Shah ₹.16,000.
4. Sold goods to Nilay ₹.8,000.
5. Nilay paid ₹.7,600 cash and discount allowed to him ₹.400.
6. Received ₹.3,000 for rent from Pandit and ₹.1,000 for commission from Jay.
7. Paid ₹.1,000 for brokerage to Aswin and ₹.1,600 for rent to Kavya.
8. Borrowed from Diya ₹.15,000.
9. Paid ₹.6,000 to shah by cheque.

OR

- Q.3 a) Explain the types of Errors in accounts. [08]
 b) What is journal? Explain the importance of journal. [07]

- Q.4 From the following Trial Balance of M/s. Maharshi you are required to prepared Trading and Profit and Loss Account for the year ended 31st March, 2018 and Balance Sheet as on that date. [15]

Trial Balance as on 31st March, 2018

Particulars	Debit Amt. (₹.)	Credit Amt. (₹.)
Capital		1,00,000
Opening stock(1-4-17)	17,000	
Purchases and Sales	96,100	1,72,000
Wages	7,400	
Carriage inward	5,400	
Carriage outward	2,000	

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(P.T.O.)

Salary	6,000	
Building	80,000	
Furniture	4,600	
Depreciation on furniture	500	
Debtors	81,000	
Insurance	1,600	
Printing and Stationery	2,500	
Sundry Expenses	4,400	
Cash in hand	12,500	
Repairs	1,000	
Drawings	8,000	
Creditors		55,600
Rent		2,400
	3,30,000	3,30,000

Adjustments:

- 1) The closing stock is valued at ₹. 7,600.
- 2) Outstanding salary was ₹.1200.
- 3) Depreciate building by 5%.
- 4) Insurance at ₹. 100 is paid in advance.
- 5) Building rent received in advanced was ₹.300.
- 6) Credit purchase of ₹.700 was not recorded in the books of accounts.

OR

Q.4 From the following particulars taken out from the books of Shri.Bhajiawala prepare Trading and Profit and Loss account for the year ended on 31st December, 2017 and balance sheet on that date: [15]

Sundry Debtors	52,000	Motor car expense	6,108
Creditors	22,000	Rent, Rates and Taxes	3,600
Cash on hand	2,392	Insurance premium Paid on 1 st Oct.2017(Yearly)	2,400
Furniture	3,500	Cash at Bank	6,200
Motor car	22,000	Building	24,000
Purchases	1,45,000	Wages	23,600
Sales	2,92,000	General Expenses	2,680
Salaries	8,240	Carriage Inward	2,040
Opening stock	11,400	Carriage outward	1,630
Drawings	8,000	Other setting expense	6,430
		Capital	20,000

The following information is relevant:

1. Closing stock ₹. 35,000.
2. Goods worth ₹. 2,000 was distributed as free samples.
3. Write off ₹. 2,000 as bad debts and make provision for bad debt at 5% on debtors.
4. Depreciate furniture and building by 10%, Motor car by 20%.
5. Commission worth ₹. 3,600 has been earned but not received till the close of the accounting year.
6. An amount of ₹. 10,000 was borrowed from Mr.Shah on 1st July,2017 and it was returned on 31st December,2017.However,interest at 10% p.a. still remains unpaid.

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