(3 & Seat No.:.

No. of Printed Pages : 2

# SARDAR PATEL UNIVERSITY B.B.A. (HM) Semester-I Examination (CBCS) (3 Years)

## PRINCIPLES AND PRACTICES OF ACCOUNTING (UM01CBBH11) 111

16<sup>th</sup> March, 2017 Time: 2:00 p.m. to 4:00 p.m.

> Total Pages: 02 Total marks: 60

Note: Figures in the bracket to the right indicates marks.

Q-1 Discuss meaning, objectives and scope of accounting. (08)

			OR			
Q-1	(A)	List out all ac	counting concepts and discuss any two of them.	(08)		
	(B)		pes of account with their rules for debit and credit.			
Q-2	(A)		a: (1) Sales Book, (2) Purchase Book, (3) Cash Book	(08)		
	(B)	Journalize the	following transactions in the books of Kanha for the month of July 2016.	(07)		
		Date		(07)		
		1-7-2016	Kanha commenced business with Cash Rs. 2,00,000, Building Rs.			
			80,000 and Goods Rs. 1,20,000.			
	`	8-7-2016	He Deposited Rs. 50,000 in to Bank to open an Account.			
		13-7-2016	Purchased goods of Rs. 1,00,000 with 5% Trade Discount and 2%			
			Cash Discount and paid by Cash.			
		18-7-2016	Purchased Furniture of Rs. 10,000 for office and paid by cheque.			
		20-7-2016	Purchased goods of Rs. 30,000 from Radha.			
		25-7-2016	Sold goods of Rs. 70,000 for Cash.			
,		29-7-2016	Sold goods of Rs. 40,000 to Meera.			
		29-7-2016	Received rent Rs. 500			
		30-7-2016	Paid Rs. 3,000 for commission and Rs. 2,000 for salary.			

#### OR

- Q-2 Mayank started business from September 2016. Following are the transaction related to (15) her business. Prepare Journal and Ledgers and prepare trial balance.
  - 1) Started business with Rs. 80,000 cash and Rs. 20,000 Bank balance.
  - 2) Purchased goods of Rs. 80,000 with 10% Trade Discount from Neha.
  - 3) Sold goods of Rs.40,000 with 5% cash discount.
  - 4) Purchased goods of Rs. 25,000 and paid cash.
  - 5) Purchased furniture of Rs. 12,000 for office and paid by cheque.
  - 6) Sold goods of Rs. 20,000 to Ankita on 10% trade discount.
  - 7) Paid wages Rs. 500
  - 8) Received commission Rs. 300
- Q-3 What is depreciation? Discuss the causes and methods of depreciation. (05)
- Q-3 Geeta Manufacturing Company purchased on 1st April 2013, Plant for Rs.14,50,000 (15) and spent Rs.50,000 on its installation. After having used it for three years it was sold for Rs.10,00,000. Depreciation is to be provided every year at the rate of 10% per annum on the Straight Line Method. You are required to:

(O.T.9)



- 1) Show necessary calculation
- 2) Pass necessary journal entries
- 3) Prepare Machinery Account and Depreciation Account
- 4) Show how it will appear in the Balance sheet after two year as on 31st March 2015.

Q-4 The following are the balances extracted from the books of Mrs. Neha as on 31<sup>st</sup> March, 2016.

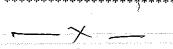
Debit Balances	Rs.	Credit Balances	Rs.
Stock (1-4-2015)	40,000	Capital	30,650
Drawings	6,250	Sales	1,90,000
Building	9,000	Purchase return	1,000
Furniture and Fittings	2,000	Discount received	150
Purchase	1,37,600	Commission	900
Wages	4,000	Bills payables	700
Carriage inward	2,250	Creditors	4,000
Sales return	1,850		
Discount	100		
Salary	7,500		
Advertisement expenses	1,250		
Rent and taxes	1,000		
General expenses	750		
Stationery and printing	450		
Cash on hand	50		77
Bills receivables	1,000		
Debtors	10,000		
Bank Balance	2,350		
	2,27,400		2,27,400

### Additional:

- 1) Value of closing stock as on 31st March 2016 was Rs. 2,500
- 2) Depreciate building by 10% and Furniture and fittings by 5%
- 3) Outstanding salary Rs. 100 and prepaid rent and taxes Rs. 100.
- 4) Provide 10% for bad debt reserve.
- 5) Commission accrued but not received Rs. 50.

#### OR

Q-4 Prepare a Balance Sheet for Joint Stock Company in horizontal format with imaginary (15) figures. (with minimum 30 items in format)



(15)