

(75)

SEAT No. _____

No. of Printed Pages : 4

Sardar Patel University**BBA (IB): Semester –I****Date: 13/11/2017, Monday****Session: Evening****Time: 2.00 to 4.00 P.M****Subject/Course Title: Accounting for Foreign Trade****Subject/Course Code: UM01CBBA04****Total Marks: 60****Note : (1) Figure to the right indicate full marks of the question .****(2) Show your calculation clearly**

Q-1	(A) Define Accounting. Discuss briefly its objectives and state the rules of debit & credit with reference to classification of accounts. (B) State whether the following is the personal ,real or nominal Account: (i)Bank of Baroda (ii) Interest account (iii) Goodwill account (iv) Wages account (v) Provident fund account OR	[10] [05]
Q-1	Explain the following terms : (i)Voucher and Discount (ii)Revenue and capital expenditure (iii)Assets and Liabilities (iv)Debtors and Creditors (v)Capital and Drawing	[15]
Q-2	Journalise the following transactions in the Journal of Mr.Shiv for the month of October,2016: Oct.1 Mr. Shiv started business with cash Rs.1,00,000 and Furniture of Rs.50, 000. Oct. 4 He sold his personal motor car and brought Rs. 30,000 in the business. Oct. 6 Opened a bank account by depositing Rs. 10,000. Oct. 9 Purchased goods of Rs. 20,000 at 10% trade discount and 5% cash discount. Oct. 11 Invoice goods worth Rs. 10,000 at 10% trade discount to Mr. Ram. Oct. 14 Goods of Rs. 2,000 were destroyed by fire and National Insurance Company accepted a claim of Rs. 1,400. Oct. 19 Bought furniture of Rs. 2,000 and paid the amount by cheque. Oct. 21 Apprentice premium of Rs.2,600 was received by	[15]

	<p>cheque.</p> <p>Oct. 24 Goods of Rs. 1,000 were given as free samples.</p> <p>Oct. 30 Paid rent Rs. 3,000 by cheque.</p> <p>Also prepare the following ledger accounts from the above information: (i) Bank (ii) Cash (iii) Capital (iv) Purchase and (v) Furniture accounts.</p> <p style="text-align: center;">OR</p>																																																																
Q-2	<p>Write short notes on :</p> <p>(i) Journals</p> <p>(ii) Subsidiary books</p> <p>(iii) Ledgers</p>	[15]																																																															
Q-3	<p>From the following trial balance as on 31-03-2017 of Mr. Vishnu you are required to prepare Trading a/c , Profit and Loss a/c and Balance Sheet:</p> <table border="1"> <thead> <tr> <th>Name of Account</th><th>Debit Rs.</th><th>Credit Rs.</th></tr> </thead> <tbody> <tr> <td>Stock (1-4-16)</td><td>45,000</td><td>--</td></tr> <tr> <td>Salary (up to 28-2-17)</td><td>14,300</td><td>--</td></tr> <tr> <td>Capital and Drawing</td><td>10,000</td><td>1,00,000</td></tr> <tr> <td>Debtors and Creditors</td><td>70,000</td><td>40,000</td></tr> <tr> <td>Lease hold property (1-10-16 for 5 years)</td><td>40,000</td><td>--</td></tr> <tr> <td>Carriage Inward</td><td>500</td><td>--</td></tr> <tr> <td>Carriage Outward</td><td>1,200</td><td>--</td></tr> <tr> <td>Trade expenses</td><td>800</td><td>--</td></tr> <tr> <td>Discount</td><td>1,700</td><td>1,900</td></tr> <tr> <td>Bad-debt and Bad debt reserve</td><td>1,400</td><td>2,900</td></tr> <tr> <td>Cash and Bank</td><td>2,500</td><td>3,000</td></tr> <tr> <td>Wages</td><td>15,000</td><td>--</td></tr> <tr> <td>Purchases and Sales</td><td>1,00,000</td><td>2,50,000</td></tr> <tr> <td>Return accounts</td><td>9,000</td><td>10,000</td></tr> <tr> <td>Commission</td><td>--</td><td>700</td></tr> <tr> <td>Machineries</td><td>25,000</td><td>--</td></tr> <tr> <td>10% investments (30-9-16)</td><td>70,000</td><td>--</td></tr> <tr> <td>Interest received on investment</td><td>--</td><td>1,500</td></tr> <tr> <td>Insurance Premium (up to 1-7-17)</td><td>3,600</td><td>--</td></tr> <tr> <td>Total</td><td>4,10,000</td><td>4,10,000</td></tr> </tbody> </table>	Name of Account	Debit Rs.	Credit Rs.	Stock (1-4-16)	45,000	--	Salary (up to 28-2-17)	14,300	--	Capital and Drawing	10,000	1,00,000	Debtors and Creditors	70,000	40,000	Lease hold property (1-10-16 for 5 years)	40,000	--	Carriage Inward	500	--	Carriage Outward	1,200	--	Trade expenses	800	--	Discount	1,700	1,900	Bad-debt and Bad debt reserve	1,400	2,900	Cash and Bank	2,500	3,000	Wages	15,000	--	Purchases and Sales	1,00,000	2,50,000	Return accounts	9,000	10,000	Commission	--	700	Machineries	25,000	--	10% investments (30-9-16)	70,000	--	Interest received on investment	--	1,500	Insurance Premium (up to 1-7-17)	3,600	--	Total	4,10,000	4,10,000	<p>[05]</p> <p>[10]</p>
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Adjustments:

1. Value of closing stock is Rs. 20,000 of which value of 90% of stock is 10% less.
2. Depreciate machineries at 10%.
3. Interest on capital and drawing is 10%.
4. Goods burnt by fire Rs. 5,000 and Insurance Company accepted a claim of Rs. 4,000.
5. Bad –debts of Rs. 2,000 and bad-debt reserve of 5% is required to be provided on debtors.
6. Commission due but not received Rs. 1300 and outstanding trade expenses Rs. 200.
7. During the year goods worth Rs. 2,000 were distributed as sample.

OR

Q-3

The trial balance of Harsh Ltd. As on 31st March 2017 is given below:

[15]

Debit Balance	Amount Rs.	Credit Balance	Amount Rs.
Purchases(adjusted)	210000	Sales	520000
Land and Building	290000	Outstanding salaries	2000
Plant and Machinery	100000	14% Debentures	200000
Closing stock	90000	Depreciation on:	
Salaries	60000	Building	50000
Bank	30000	P&M	55000
Sundry Debtors	125000	-----	105000
Director fee	10000	Profit and loss A/c	25000
Rent	26000	Unclaimed dividend	5000
Loose tools	25000	Interest on	
Debenture interest	28000	investment	12000
Sundry expenses	18000	Eq. share capital	200000
Depreciation	20000	General Reserve	40000
Bad debts	6000	Provision for bad	
Interest accrued on		debts(1-4-16)	3000
investment	2000	Interest on debenture	
Investment in eq.		accrued but not due	14000
shares of 'A' Ltd.	120000	Sundry creditors	94000
Advance tax	60000		
	1220000		1220000

	<p>Adjustments:</p> <ol style="list-style-type: none"> 1. Provide for doubtful debts at 4% on sundry debtors. 2. Depreciation expenses includes depreciation of Rs 8000 on Buildings and Rs. 12000 on plant and machinery. 3. Transfer Rs. 7600 to general reserve. 4. Make a provision for income tax Rs. 76000. 5. The Directors recommended a dividend @ 25% on equity share capital. <p>Prepare Trading and profit and loss account for the year ended 31st March, 2017 and balance Sheet as on that date.</p>																																		
Q-4	<p>Prepare vertical format of Balance Sheet with notes according to revised schedule-VI.</p> <p style="text-align: center;">OR</p>	[15]																																	
Q-4	<p>Following is the trial balance on Dec.31st, 2016 of Ahmedabad Branch of an London firm having head office in London:</p> <table border="1"> <thead> <tr> <th>Particular</th><th>Debit Rs.</th><th>Credit Rs</th></tr> </thead> <tbody> <tr> <td>Stock Jan. 1st, 2016</td><td>12,600</td><td>--</td></tr> <tr> <td>Purchases and Sales</td><td>75,000</td><td>1,12,500</td></tr> <tr> <td>Debtors and Creditors</td><td>39,000</td><td>26,000</td></tr> <tr> <td>Bills receivables & Bills payables</td><td>10,400</td><td>9,100</td></tr> <tr> <td>Salaries and wages</td><td>4,800</td><td>--</td></tr> <tr> <td>Rent, Rates and Taxes</td><td>5,100</td><td>--</td></tr> <tr> <td>Furniture</td><td>4,910</td><td>--</td></tr> <tr> <td>Cash and Bank</td><td>28,990</td><td>--</td></tr> <tr> <td>London Account</td><td></td><td>33,200</td></tr> <tr> <td></td><td>1,80,800</td><td>1,80,800</td></tr> </tbody> </table> <p>On Dec. 31st, 2016 stock was valued at Rs.32,500. The debit balance of the branch account in London books on Dec.31st, 2016 was 2680 pound and furniture account appeared at 350 pound. On Dec.31st, 2016 there was cash-in transit from Ahmedabad to London amounting to Rs. 2600. The rate of exchange on 31st Dec. 2015 was Rs.14 and on 31st Dec. 2016 was Rs.13. Avg. Rate of 2016 was Rs.12. Prepare the Branch P&L A/C & Balance Sheet in the Head Office books.</p>	Particular	Debit Rs.	Credit Rs	Stock Jan. 1 st , 2016	12,600	--	Purchases and Sales	75,000	1,12,500	Debtors and Creditors	39,000	26,000	Bills receivables & Bills payables	10,400	9,100	Salaries and wages	4,800	--	Rent, Rates and Taxes	5,100	--	Furniture	4,910	--	Cash and Bank	28,990	--	London Account		33,200		1,80,800	1,80,800	[15]
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