

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BSc DEGREE EXAMINATION DECEMBER 2017

(Fourth Semester)

Branch - **INFORMATION TECHNOLOGY**

ACCOUNTANCY

Time : Three Hours

Maximum : 75 Marks

SECTION-A (20 Marks)

Answer **ALL** questions

ALL questions carry **EQUAL** marks (10x2 = 20)

- 1 Define Accounting.
- 2 What is Journal?
- 3 What is Ledger?
- 4 List out the methods of preparation of trial balance.
- 5 Give any two benefits of subsidiary books.
- 6 What is Sales book?
- 7 Define Balance Sheet.
- 8 Why do you prepare trading account?
- 9 Give any two limitations of cost accounting?
- 10 What is Prime cost?

SECTION - B (25 Marks!)

Answer **ALL** Questions

ALL Questions Carry **EQUAL** Marks (5 x 5 = 25)

- 11 a State the advantages of accounting.
OR
b Explain the accounting conventions.
- 12 a Post the following transactions to ledger accounts:
2003 May 1 Ram commenced business with cash Rs.6,000; Goods Rs.3,000;
and buildings Rs.8,000
5 Sold goods for cash Rs.700
7 Sold goods to Mani Rs.640
10 Cash Purchase Rs. 2,000

OR

- b Prepare trial balance from the following:

	Rs.		Rs.
Drawings	23,760	Rent	9,000
Land	20,000	Creditors	35,000
Opening Stock	62,000	Purchases	4,00,000
Debtors	90,000	Postages	3,000
Bank	21,000	Sales	6,10,000
Capital	34,000	Plant .	25,000
Car	25,240		

- 13 a Prepare sales returns book and open ledger accounts from the following details
2000 Dec. 5 Sold to M/s. Satish Bros.
200 Shirts @ Rs.75 per shirt
2 Trouser @ Rs.250 per Trouser
Less: 10% Trade discount
10 Sold to Mathew & Co.
160 Ladies Suits @ Rs.225 per suit
300 Jeans @ Rs.300 per piece
One second-hand scooter for Rs. 10,000

13 Cont...

15 Cash sales to customers

- 40 T-shirts @ Rs. 125 per T-shirt
- 40 Jeans @ Rs.250 per piece
- 40 Ladies suits @ Rs.200 per suit
- 40 Trouser @ Rs.260 per Trouser

Prepare Sales Book.

OR

- b Prepare Returns outwards book and open ledger accounts from the following transactions:

2000 Oct. 10 Returned to Ramchand & Co.

25 Copies of Corporate accounting @Rs.150 per copy.

25 Copies of Financial accounting @ Rs.130 per copy.

Oct. 20 Returned to Raman Publications

8 Copies of Business Statistics @ Rs.100 per copy.

10 Copies of Principles of Economics @ Rs.75 per copy.

14 a

Prepare Trading and Profit & Loss Account from the following information.

Particulars	Rs.	Particulars	Rs.
Opening Stock	10,000	Office rent	1,500
Purchases	60,000	Sales returns	2,500
Wages	11,500	Purchase returns	3,000
Closing Stock	13,000	General expenses	3,000
Sales	1,00,000	Discount to customers	900
Carriage Inwards	1,500	Interest received from bank	500
Carriage Outwards	1,200	Factory Rent	1,200

OR

- b From the following balances taken from the books of Ved & Co., prepare Trading and Profit & Loss account for the year ending 30th June, 2002 and balance sheet as on that date.

	Rs.		Rs.
Capital	35,000	Return outward	110
Building	18,750	Salaries	1,110
Machinery	9,250	Discount allowed	200
Debtors	7,000	Stock(1-7-2001)	16,500
General Expenses	800	Bills Payable	5,000
Rent paid	3,710	Sales	63,500
Drawings	650	Purchases	46,850
Electric charges	190	Wages	2,500
Carriage inward	850	Cash in hand	1,800
Cash at bank	3,000	Sundry Creditors	10,000
Return inward	450		

Closing stock is valued at Rs. 18,210.

15 a State the objectives of Cost accounting.

OR

b Prepare a cost sheet from the following data to find out profit and cost per unit:

	Rs.		Rs.
Raw materials consumed	80,000	Selling Overheads	6,000
Direct wages	40,000	Unit Produced	2,000
Factory Overheads	8,000	Unit Sold	1,800

Office overhead 10% of factory cost.

Selling Price Rs.100 per unit

Cont...

SECTION - C (30 Marks)Answer any **THREE** Questions**ALL** Questions Carry **EQUAL** Marks (3 x 10 = 30)

Record the following transactions completed during the month of March 1999 in the journal.

Mar	Rs.
1 Paid rent for the month	600
2 Paid cash for office stationery	60
8 Purchased office equipment on account	10,000
13 Paid advertisement expenses	600
15 Received cash from kumar on account	8,000
18 Paid Maran on account	4,000
25 Withdrew cash for personal use	2,000
29 Paid for repairs to typewriters	600
31 Paid for repairs to typewriters	300
31 Paid electricity bill for the month	400

Following are the ledger balances of Sri Rao. You are asked to prepare trial balance as on 31.12.2012.

	Rs.		Rs.
Opening Stock	10,000	Capital	60,000
Salaries	5,000	Creditors	10,000
Bills Payable	5,000	Loan from Krishna	25,000
Cash in hand	12,000	Discount allowed	700
Bank overdraft	4,000	Accrued interest payable	5,000
Debtors	15,000	Purchases	30,000
Cash at bank	18,000	Reserve for doubtful debts	1,200
Sales	80,000	Trade expenses	500
Wages	1,000	Outstanding expenses	2,000
Prepaid Insurance	2,500	Plant & Machinery	90,000
Deprecation on Plant	8,000	Outstanding interest	500

18 Prepare purchase returns book and sales returns book from the following data:

2012	Rs.
Aug.1 Purchased goods returned to Senthil	205
3 Received goods returned by Natarajan	300
5 Goods returned to Kannan	500
7 Sales returns of Rs. 1,260 by Mathavan	
15 Returned defective goods to Raj an	1,280
18 Damaged goods returned by Murali	1,120
23 Outward returns to Kanagasabai	275
29 Inward returns by Swaminathan	750
30 Returned inferior goods to Sankar	890
31 Selvan returned goods to us	1,330

19 The following are the balances extracted from the books of Ganesh as on 31-12-1999. Prepare Trading and Profit & Loss account for the year ending 31-12-1999 and a balance sheet as on that date.

19 Cont...

Debit balances	Rs.	Credit balances	Rs.
Drawings	4,000	Capital	20,000
Cash at bank	1,700	Sales	16,000
Cash in hand	6,500	Sundry Creditors	4,500
Wages	1,000		
Purchases	2,000		
Stock 1-1-1999	6,000		
Buildings	10,000		
Sundry debtors	4,400		
Bills receivable	2,900		
Rent	450		
Commission	250		
General Expense	800		
Furniture	500		
	40,500		40,500 .

The following adjustments are to be made:

- Stock on 31 -12-1999 was Rs.4,000
- Interest on capital at 6% to be provided
- Interest on drawings at 6% to be provided
- Wages yet to be paid Rs. 100
- Rent prepaid Rs.50

20 From the following particulars prepare a cost sheet from the month of December 2005:

	Rs.
Stock on hand-1 st December 2005: Raw materials	25,000
Finished goods	17,300
Stock on hand-31 st December 2005: Raw materials	26,200
Finished goods	15,700
Purchase of Raw materials	21,900
Carriage on purchases	1,100
Work in progress 1.12.2005 at work cost	8,200
Work in progress 31.12.2005 at work cost	9,100
Sale of finished goods	72,300
Direct Wages	17,200
Non productive wages	800
Direct expenses	1,200
Factory Overheads	8,300
Administrative Overheads	3,200
Selling and distribution Overheads	4,200

Z-Z-Z

END