

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BSc DEGREE EXAMINATION MAY 2024
(Third Semester)

Branch - COSTUME DESIGN & FASHION

FINANCIAL AND COST ACCOUNTING

Time: Three Hours

Maximum: 50 Marks

SECTION-A (5 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(5 x 1 = 5)

- 1 Journal is a book of -----.
(i) Primary entry (ii) Compound entry
(iii) Closing entry (iv) Adjusting entry
- 2 Name the transaction that is recorded in both sides of cash book simultaneously.
(i) Contra entry (ii) Dual entry
(iii) Double entry (iv) Single entry
- 3 Bank overdraft should be shown -----.
(i) In the trading account (ii) In the Profit and loss account
(iii) On the liabilities side (iv) On the assets side
- 4 Overhead cost is the total of -----.
(i) All indirect cost (ii) All direct cost
(iii) Direct and indirect cost (iv) Specific costs
- 5 Taylor's differential piece rate system provides higher rate to -----.
(i) Efficient worker (ii) Average worker
(iii) Normal worker (iv) Inefficient worker

SECTION - B (15 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks

(5 x 3 = 15)

- 6 a) Journalise the following transactions
(i) Ram started business with a capital of Rs.10,000
(ii) He purchased furniture for cash Rs.4,000
(iii) He purchased goods from Mohan on credit Rs.2,000
(iv) He paid cash to Mohan Rs.1,000

OR

- b) From the under mentioned balances, prepare a Trial Balance as on 31.03.2007.

Particulars	Rs.	Particulars	Rs.
Opening stock	35,000	Machinery	60,000
Salaries	20,000	Sundry creditors	24,000
Sundry debtors	50,000	Purchases	1,20,000
Wages	16,000	Cash	1,200
Sales	2,01,200	Furniture	15,000
Rent	10,000	Bills receivable	20,000
Capital	1,00,000	Bills payable	22,000

Cont...

7 a) Explain about Imprest System in Petty cash book.

OR

b) Enter the following transaction in the purchase book.

2009

May 1 Purchased from Kavitha shoe mart, Chennai

100 Shoes @ Rs. 300 each

50 Belts @ Rs. 75 each

Packing and delivery charges Rs. 200. Trade discount 10%

May 10 Purchased from S.K. Shoe Mart, Mumbai.

50 Cut shoes @ Rs. 100 each

25 Leather shoes @ Rs. 500 each

Delivery and cartage Rs. 150.

8 a) From the following figures prepare the trading a/c of SS Ltd., as on 31-12-2008.

	Rs.		Rs.
Stock (2008 Jan.1)	37,500	Factory expenses	3,000
Purchases : Cash	90,000	Marine Insurance on purchase	1,500
Credit	75,000	Sales : Cash	30,000
Return outwards	15,000	Credit	1,50,000
Carriage Inwards	7,500	Return inwards	22,500
Wages	3,000	Closing Stock	7,500

OR

b) Summarise the objectives of preparing Final accounts.

9 a) State the advantages of Cost accounting.

OR

b) From the following particulars calculate re-order level, minimum level, maximum level and average level of stock.

Normal usage - 50 units per week

Minimum usage - 25 units per week

Maximum usage - 75 units per week

Reorder quantity - 300 units per week

Re-order period - 4 to 6 weeks

10 a) Compute the earnings of worker Basheer under Taylor's differential piece rate system from the following :

Normal rate per hour : Rs. 24

Standard time per unit : 30 seconds

Differential piece rate to be applied :

80% of piece rate below standard

120% of piece rate above standard

Worker Basheer produced 800 units per day of 8 hours.

OR

b) Using the following data, calculate the earnings of a worker under Halsey plan ,

Rate per hour Rs. 2

Standard time 20 hours

Time taken 15 hours

Cont...

SECTION -C (30 Marks)

Answer ALL questions

ALL questions carry EQUAL Marks

(5 x 6 = 30)

- 11 a) Prepare Ledger Accounts from the following transactions in the books of Imran dealing in essential items.

		Rs
2018 June 1	Started business with cash	45,000
1	Paid into bank	25,000
2	Goods Purchased for cash	15,000
3	Purchase of furniture and payment by cheque	5,000
5	Sold goods for cash	8,500
8	Sold goods to Arvind Walia	4,000
10	Goods Purchased from Amrit Lal	7,000
12	Goods returned to Amrit Lal	1,000
15	Goods returned by Arvind Walia	200
18	Cash received from Arvind Walia Rs 3,760 and discount allowed to him	40
21	Withdrew from bank for private use	1,000
	Withdrew from bank for use in the business	5,000
25	Paid Wages	400
28	Cash paid to Amrit Lal in full Settlement of his account	5,940
30	Paid for Salaries	3,700

OR

- b) Journalise the following transactions, post them in the Ledger and balance the accounts as on 31st December, 2008.

- Dec.
1. Rajini started business with a capital of Rs. 50,000
 2. Purchased furniture for Rs. 5,000
 3. Bought goods on credit from Vinod for Rs. 8,000
 14. Sold goods to Suresh for Rs. 5,000
 15. Received cash from Suresh Rs. 3,000
 18. Purchased goods for cash Rs. 12,000
 27. Sold goods for cash Rs. 8,000
 28. Paid rent Rs. 1,200
 31. Paid to Vinod Rs. 3,000 on a/c.

- 12 a) Explain about different types of Subsidiary books.

OR

- b) Enter the following in Triple column cash book and balance the same :

2009	
Aug.1	Balances : Cash Rs. 700; Bank Rs. 4,900
2	Amount received on sale of shares Rs. 8,000
4	Cash paid into bank Rs. 6,300
6	Amount paid to Rajamani Rs. 1,000; Discount received from him Rs. 25
10	Received for cash sales cheque Rs. 6,000, Cash Rs. 2,000. Sent the cheque to the bank.
12	Received a cheque for Rs. 575 from Thangamani and settled his amount for Rs. 600. Sent the cheque to the bank.
14	Paid Singamani by cheque Rs. 480; discount received from him Rs. 20
16	Withdrew from bank Rs. 1,800
20	Paid Anbumani by cheque Rs. 2,000 for Cash Purchase
30	Paid Salaries Rs. 1,200

Cont...

13 a) From the following balances prepare Trading and Profit and Loss account for the year ending 31.12.2006 and Balance sheet as on that date.

Debit Balance	Rs.	Credit Balance	Rs.
Salaries	5,500	Creditors	9,500
Rent	1,300	Sales	32,000
Cash	1,000	Capital	30,000
Debtors	40,000	Loans	10,000
Sundry expenses	600		
Purchases	25,000		
Buildings	2,500		
Bank Balance	5,600		
	81,500		81,500

Adjustments :

- i) Closing stock Rs. 9,000
- ii) Salary outstanding amounted to Rs. 1,100
- iii) Rent paid in advance Rs. 100.
- iv) Provide 5% for doubtful debt against debtors.

OR

b) After considering the following adjustment with the trial balance as on 31.12.2006 prepare Trading, Profit and Loss Account for the user ended 31.12.2006 and Balance Sheet as on that date :

- i) Stock on hand at 31.12.2006 Rs. 4,900.
- ii) Outstanding salaries Rs. 300.
- iii) Prepaid rent Rs. 200 and Insurance Rs. 90.
- iv) Depreciate Machinery at 10%.

TRIAL BALANCE AS ON 31.12.2006

Debit Balance	Rs.	Credit Balance	Rs.
Purchases	15,000	Capital	40,000
Salaries	2,000	Sales	25,000
Rent	1,500	Creditors	1,000
Insurance	300		
Drawings	5,000		
Machinery	28,000		
Bank	4,500		
Cash	2,000		
Opening stock	5,200		
Debtors	2,500		
	66,000		66,000

14 a) From the following information prepare a cost sheet for the month of Dec. 2008.

	Rs.
Stock on hand - 1.12.2008	
Raw materials	25,000
Finished goods	17,300
Stock on hand - 31.12.2008	
Raw materials	26,200
Finished goods	15,900
Purchase of Raw materials	21,900
Carriage on purchases	1,100
Work in progress - 1.12.2008	8,200
Work in progress - 31.12.2008	9,100
Sales 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

Cont...

OR

b) From the following particulars write up Stores Ledger under LIFO method.

- Dec. 1. Stock in hand 500 units at Rs. 20
 3. Issued 200 units
 3. Purchased 150 units at Rs. 22
 4. Issued 100 units
 5. Purchased 200 units at Rs. 25
 6. Issued 300 units
 6. Returned to Store 10 units (Issued on 4th Dec)
 7. Issued 100 units
 8. Issued 50 units

On 10th, it was noticed that there is a shortage of 10 units.

- 15 a) On the basis of the following information, calculate the earnings of A and B under Straight Piece - rate System and Taylor's Differential Piece - rate System.

Standard production - 10 units per hour

Normal time rate - Re. 1 per hour

Differentials to be applied :

80% of piece - rate when below standard

120% of piece - rate at above standard

In a certain day of 8 hours : A produces 75 units and B produces 100 units.

OR

b) The following are the particulars applicable to a work process:

Time rate Rs. 5 per hour

High task 40 units per week

Piece rate above the high task Rs. 6.5 per unit

In a 40 hour week, the production of the workers was as follows:

A - 35 units

B - 40 units

C - 41 units

D - 52 units

Calculate the wages of the workers under Gantt's task bonus plan.

Z-Z-Z

END