

PSG COLLEGE OF ARTS & SCIENCE  
(AUTONOMOUS)

BVoc DEGREE EXAMINATION DECEMBER 2024  
(First Semester)

Branch – BANKING, STOCK AND INSURANCE

INTRODUCTION TO FINANCIAL ACCOUNTING

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	Posting is the process of _____ a) Posting the letters in drop box b) Posting suitable person to a suitable job c) Entering in the ledger the information contained in the ledger d) All the Above	K1	CO1
	2	Which of the following is a real A/c? a) Salary A/c    b) Bank A/c    c) Building A/c    d) Goodwill A/c	K2	CO1
2	3	Which of the following is a representative personal A/c? a) Outstanding salary A/c                      b) Rent A/c c) SBI A/c    d) Bad debts A/c	K1	CO2
	4	Goodwill A/c is a _____ a) Nominal A/c                                      b) Tangible asset c) Intangible asset                                  d) Fictitious asset	K2	CO2
3	5	Bank reconciliation is a statement prepared to reconcile _____ a) Trial balance    b) Cash book    c) Bank A/c d) Cash as per cash book with bank balance as per bank pass book	K1	CO4
	6	Bank reconciliation statement is a part of _____ a) Cash book    b) Trial balance    c) Auditors report    d) Balance Sheet	K2	CO4
4	7	Schedule XIV of the Companies Act specifies _____ as minimum rate of depreciation (WDV) on ship fishing vessels a) 27%              b) 33%              c) 10%              d) 15%	K1	CO5
	8	_____ is also known as Appraisal system of depreciation a) Inventory system                                  b) Survey system c) Annuity system                                      d) Insurance	K2	CO5
5	9	Accommodation bills are generally for _____ a) Genuine trade reasons    b) For mutual financial accommodation c) To help augment money supply    d) All the Above	K1	CO3
	10	A foreign bill of exchange is generally drawn up in _____ a) Triplicate    b) Duplicate    c) Single    d) Quadruplicate	K2	CO3

SECTION - B (35 Marks)

Answer ALL questions

ALL questions carry EQUAL Marks

(5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO
1	11.a.	Following are the transactions entered into by R after he started his business. Show how various accounts will be affected by these transactions: <b>2022 April</b> (Rs. in 000) 1. R started business with 5,000 2. He purchased furniture for 1,200 3. Paid salary to his clerk 1,100 4. Paid rent 1,150 5. Received interest 2,000	K1	CO1

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	(OR)			
	11.b.	Prepare the Stationery Ledger Account of a firm for the month of Jan. 2022 duly balanced off, from the following details: Jan. 1 Inventory of stationery Rs.480 Jan. 5 Purchase of stationery by cheque Rs.800 Jan. 15 Purchase of stationery on credit from Five Star Stationery Mart Rs.1,280		
2	12.a.	The following are the credit purchases of M/s. Ballav Brothers: Jan. 1, 2023, Purchases from M/s. Saurabh & Co.- gross Rs.1,00,000 less 1% trade discount. Jan. 3, 2023, Purchases from M/s. Netai & Co.- gross Rs.70,000 less 1% trade discount. Jan. 6, 2023, Purchases from M/s. Saurabh & Co.- gross Rs.60,000 less 1% trade discount. Let us cast M/s. Saurabh & Co.'s Account.	K4	CO4
	(OR)			
	12.b.	The Bank Overdraft of Ram on 31-3-2013 as per cash book is Rs.9000. From the following particulars, Prepare BRS. Unpresented Cheque 3000 Uncleared Cheque 1700 Bank interest debited in the pass book bills 500 Bill collected and credited in the pass book only 800 Cheque of Rais dishonoured Rs 500 Cheques issued to Sam entered in the cash column of cash book 300		
3	13.a.	Jain Bros. acquired a machine on 1st July, 2021 at a cost of Rs.14,00,000 and spent Rs.1,00,000 on its installation. The firm writes off depreciation at 10% p.a. of the original cost every year. The books are closed on 31st December every year. You are required to show the Machinery Account.	K5	CO5
	13.b.	(OR) Jain Brothers acquired a machine on 1st July, 2021 at a cost of Rs.14,00,000 and spent Rs.1,00,000 on its installation. The firm writes off depreciation at 10% p.a. every year. The books are closed on 31st December every year, You required show the Machinery Account on diminishing balance method for the year 2021 and 2022.		
4	14.a.	State the Types of Rectification of Errors	K2	CO2
	14.b.	(OR) How do you compute the claim for Loss of stock?		
5	15.a.	A receives three promissory notes from B, dated 1st January, 2012 for 3 months. One bill is for Rs 3,000, the second is for Rs 4,000 and the third is for Rs 5,000. The second bill is immediately endorsed in favour of C and on 4th January, 2012 the third bill is discounted with the bank for Rs 4,700. Pass the entries in A's journal assuming (i) the bills are met on maturity and (ii) they are dishonoured.	K3	CO3
	15.b.	(OR) A Company acquired a machine on 1.1.2020 at a cost of Rs.40,000 and spent Rs.1000 on its Installation. The firm writes off Depreciation at 10 % on the Diminshing balance. The Books are closed on 31 <sup>st</sup> December of each year. Show the machinery Account for 3 years.		

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**SECTION -C (30 Marks)**

Answer ANY THREE questions

ALL questions carry EQUAL Marks

(3 × 10 = 30)

Module No.	Question No.	Question	K Level	CO								
1	16	X draws on Y a bill of exchange for Rs 15,000 on 1st April, 2011 for 3 months. Y accepts the bill and sends it to X who gets it discounted for Rs 14,400. X immediately remits Rs 4,800 to Y. On the due date, X, being unable to remit the amount due, accepts a bill for Rs 21,000 for three months which is discounted by Y for Rs 20,055. Y sends Rs 3,370 to X. Before the maturity of the bill X becomes bankrupt, his estate paying fifty paise in the rupee. Give the journal entries in the books of X and Y. Also show X's account in T's books.	K3	CO3								
2	17	Enter the following transactions in the books of Supriya, the owner of the business in the year 2014. Journalize the transactions, Jan. 8 Purchased goods worth Rs. 5,000 from Sarita on credit. Jan. 12 Neha Purchased goods worth Rs. 4,000 from Supriya on credit. Jan. 18 Received a Cheque from Neha in full settlement of her account Rs. 3,850. Discount allowed to her Rs. 150 Jan. 20 Payment made to Sarita Rs. 4,900. Discount allowed by him Rs. 100. Jan. 22 Purchased goods for cash 'Rs. 10,000. Jan. 24 Goods sold to Kavita for Rs. 15,000. Trade discount @ 20% is allowed to her. Jan. 29 Payment received from Kavita by Cheque	K1	CO1								
3	18	On 31st March 2022, the Bank Pass Book of Namrata showed a balance of Rs. 1,50,000 to her credit while balance as per cash book was Rs. 1,12,050. On scrutiny of the two books, she ascertained the following causes of difference: i) She has issued cheques amounting to Rs. 80,000 out of which only Rs. 32,000 were presented for payment. ii) She received a cheque of Rs. 5,000 which she recorded in her cash book but forgot to deposit in the bank. iii) A cheque of Rs. 22,000 deposited by her has not been cleared yet. iv) Mr. Gupta deposited an amount of Rs. 15,700 in her bank which has not been recorded by her in Cash Book yet. v) Bank has credited an interest of Rs. 1,500 while charging Rs. 250 as bank charges. Prepare a Bank Reconciliation Statement	K4	CO4								
4	19	M/s Surya & Co. took lease of a quarry on 1-1-2019 for Rs. 1,00,00,000. As per technical estimate the total quantity of mineral deposit is 2,00,000 tonnes. Depreciation was charged on the basis of depletion method. Extraction pattern is given in the following table: <table><tr><th>Year</th><th>Quantity of Mineral extracted</th></tr><tr><td>2019</td><td>2,000 tonnes</td></tr><tr><td>2020</td><td>10,000 tonnes</td></tr><tr><td>2021</td><td>15,000 tonnes</td></tr></table> Show the Quarry Lease Account and Depreciation Account for each year from 2019 to 2021.	Year	Quantity of Mineral extracted	2019	2,000 tonnes	2020	10,000 tonnes	2021	15,000 tonnes	K5	CO5
Year	Quantity of Mineral extracted											
2019	2,000 tonnes											
2020	10,000 tonnes											
2021	15,000 tonnes											
5	20	Explain the necessary adjustments of Sole Trader of Final Accounts	K2	CO2								

**PSG COLLEGE OF ARTS & SCIENCE**  
(AUTONOMOUS)  
**BVoc DEGREE EXAMINATION DECEMBER 2024**  
(Second Semester)  
Branch – **BANKING, STOCK AND INSURANCE**

**MATHEMATICS FOR BUSINESS**

Time: Three Hours

Maximum: 75 Marks

**SECTION-A (10 Marks)**

Answer ALL questions

ALL questions carry EQUAL marks

(10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	The amount borrowed by the debtor is called the ----- a) borrower    b) principal c) drawee    d) manager	K1	CO1
	2	The simple interest on the sum of Rs.6000 at 10% p.a. for 3 years ----- a) Rs.1800    b) Rs.1850 c) Rs.1875    d) Rs.1825	K2	CO1
2	3	----- of an annuity is the sum of the amounts of all the installment payments. a) interest    b) amount    c) principle    d) cumulative interest	K1	CO2
	4	The difference between the face value and the present value is the ----- a) discount    b) interest    c) true discount    d) selling	K2	CO2
3	5	The Transportation problems deals with the transportation of ----- a) Single product from a sources to several destinations b) Several product from a sources to destinations c) single product from several sources to several destinations d) several product from several sources to several destinations	K1	CO3
	6	The dummy source or destination in a transportation problem is introduced to a) prevent solution to become degenerate    b) to satisfy rim conditions c) ensure that total cost does not exceed a limit    d) solve the balanced transportation problem	K2	CO3
4	7	Essential characteristics of a game theory model are a) pay-off    b) decision alternatives c) state of nature    d) all of the above	K1	CO4
	8	When sum of gains of one player is equal to sum of losses to another player, the situation is known as a) zero sum game b) fair game c) conflicting game d) negotiable game	K2	CO4
5	9	Multiple servers may be a) in parallel b) in series c) in combination of parallel and series d) all of the above	K1	CO5

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5	10	Queue can be formed only when a) arrivals exceed service capacity b) arrivals equals service capacity c) there are more than one service facilities d) service facility is capable to serve all the arrival at a time	K2	CO5
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**SECTION - B (35 Marks)**

Answer ALL questions

ALL questions carry EQUAL Marks (5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO				
1	11.a.	A sum of money amounted to Rs.1,071 in 6 months and Rs.1,106 in 16 months. Calculate the rate of simple interest.	K1	CO1				
	(OR)							
	11.b.	The difference between the compound interest and the simple interest for 3 years at 5% p.a. on a certain sum of money was Rs.610. Find the sum.						
2	12.a.	A person deposits Rs.5,000 every year with a company which pays him interest at 12% p.a. He allows his deposits to accumulate with the company at compound interest. What would be the amount standing to his credit one year after he has made his deposit for 15 <sup>th</sup> year?	K1	CO2				
	(OR)							
	12.b.	Find the term of a bill of Rs.18,360 whose true discount at 8% p.a. is Rs.360.						
3	13.a.	Determine an initial basic feasible solution to the following transportation problem by least cost method.	K1	CO3				
	(OR)							
	13.b.	Obtain an initial basic feasible solution to the following transportation problem, using Vogel's approximation method;						
		Warehouse			Stores			
		I	II	III	IV			
A		5	1	3	3	34		
B		3	3	5	4	15		
C		6	4	4	3	12		
D	4	-1	4	2	19			
Requirement	21	25	17	17	80			
4	14.a.	For the game with following pay-off matrix, determine the optimum strategies and value of the game;						
						Player B		
						B2		
		Player A	A1	3		-5		
		A2	-1		1			
		(OR)						
	14.b.	Solve the following 2 × 2 game $\begin{pmatrix} 5 & 1 \\ 3 & 4 \end{pmatrix}$						
5	15.a.	Customers arrive at a sales counter manned by a single person according to Poisson process with mean rate of 20 per hour. The time required to serve a customer has an exponential distribution with mean at 100 seconds. Find the average waiting time of a customer.	K2	CO5				
	(OR)							

5	15.b.	In a railway marshalling yard, goods trains arrive at a rate of 30 trains per day. Assume that the inter-arrival time follows an exponential distribution and the service time distribution is also exponential with an average of 36 minutes. Calculate the following; a) The mean queue size b) The probability that the queue size exceeds 10.	K2	CO5
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**SECTION -C (30 Marks)**

Answer ANY THREE questions

ALL questions carry EQUAL Marks (3 × 10 = 30)

Module No.	Question No.	Question	K Level	CO																														
1	16	A sum of money invested at compound interest amounts to Rs.21,362.00 in 2 years and to Rs.22,497.28 in 3 years. Find the rate of interest and the sum invested?	K1	CO1																														
2	17	In a company a machine costs Rs.80,000 and its life is estimated to be 20 years. Sinking fund is created for replacing the machine at the end of its life time when its scrap realizes a sum of Rs.5,000 only. Calculate the amount which should be provided every year for the sinking fund if it accumulates at 9% p.a. compounded annually.	K1	CO2																														
3	18	<p>Solve the following transportation problem;</p> <table border="1"> <tr> <th>From</th><th></th><th>To</th><th></th><th>Available</th></tr> <tr> <td></td><td>A</td><td>B</td><td>C</td><td></td></tr> <tr> <td>I</td><td>50</td><td>30</td><td>220</td><td>1</td></tr> <tr> <td>II</td><td>90</td><td>45</td><td>170</td><td>3</td></tr> <tr> <td>III</td><td>250</td><td>200</td><td>50</td><td>4</td></tr> <tr> <td>Requirement</td><td>4</td><td>2</td><td>2</td><td></td></tr> </table>	From		To		Available		A	B	C		I	50	30	220	1	II	90	45	170	3	III	250	200	50	4	Requirement	4	2	2		K2	CO3
From		To		Available																														
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III	250	200	50	4																														
Requirement	4	2	2																															
4	19	<p>Use graphical method in solving the following game;</p> <table border="1"> <tr> <th rowspan="3">Player B</th><th rowspan="2"></th><th colspan="4">Player A</th></tr> <tr> <th>A1</th><th>A2</th><th>A3</th><th>A4</th></tr> <tr> <td>B1</td><td>2</td><td>2</td><td>3</td><td>-2</td></tr> <tr> <td>B2</td><td>4</td><td>3</td><td>2</td><td>6</td></tr> </table>	Player B		Player A				A1	A2	A3	A4	B1	2	2	3	-2	B2	4	3	2	6	K1	CO4										
Player B		Player A																																
		A1		A2	A3	A4																												
	B1	2	2	3	-2																													
B2	4	3	2	6																														
5	20	<p>XYZ tailoring house has one tailor specialized in men's shirts. The number of customers requiring stitching of shirts appear to follow Poisson distribution with mean arrival rate of 12 per hour. Customers are attended by the tailor on a first come first service basis, and they are willing to wait for service, if there be queue. The time the tailor takes to attend a customer is exponentially distributed with a mean of 4 minutes.</p> <p>Find the following;</p> <ol style="list-style-type: none"> <li>The traffic intensity</li> <li>The probability that the queuing system is idle</li> <li>The average time the tailor is free on 8 hour working day</li> <li>What is the expected number of customers in shop?</li> <li>What is the expected number of customer's waiting for tailor's services?</li> </ol>	K2	CO5																														

PSG COLLEGE OF ARTS & SCIENCE  
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BVoc DEGREE EXAMINATION DECEMBER 2024  
(Fifth Semester)

Branch – COMMERCE (BANKING, STOCK AND INSURANCE)

COST AND MANAGEMENT ACCOUNTING

Time: Three Hours

Maximum: 50 Marks

**SECTION-A (5 Marks)**

Answer ALL questions

ALL questions carry EQUAL marks

(5 x 1 = 5)

- 1 The techniques and process of ascertaining cost is known as  
(i) Costing (ii) Cost Accounting  
(iii) Cost audit (iv) Cost Control
- 2 The quantity fixed at a point where the total cost of ordering and the total cost of carrying the inventory will be the minimum is termed as \_\_\_\_\_  
(i) Cost of storage (ii) Loss of production  
(iii) Cost of purchase (iv) None of these
- 3 The process of recovering overheads in the cost of production is known as \_\_\_\_ of overhead  
(i) Distribution (ii) Absorption  
(iii) Summary (iv) Allocation
- 4 The term Management Accounting was first coined by the British Team of Accountants that visited the \_\_\_\_\_  
(i) USA (ii) China  
(iii) India (iv) Japan
- 5 Increase in amount of debtors results in  
(i) decrease in cash (ii) increase in cash  
(iii) No change (iv) None of the above

**SECTION - B (15 Marks)**

Answer ALL Questions

ALL Questions Carry EQUAL Marks

(5 x 3 = 15)

- 6 a What are the advantages of cost accounting.  
OR  
b Bring out the limitations of cost accounting.
- 7 a Calculate Labour Turnover in three methods:  
Total number of employees at the beginning of the month 2010  
Total number of employees at the end of the month 1990  
No. of employees who left during the month 50  
No. of employees who are recruited during the month 30  
OR  
b From the following, calculate the wages under Halsey and Rowan systems:  
Time allowed :48 hours , Time taken :40 hour , Rate per hour : Re. 1
- 8 a Calculate machine hour rate for machine A:  
Cost of machine Rs. 16,000  
Estimated scrap value Rs. 1000  
Running time per 4 weekly period 160 hours  
Average cost of repairs and maintenance per 4 weekly period 120. Sanding charges allocated to machine A per 4 weekly period 40. Power used by the machine 4 units per hour at a cost of 5 paise per hour.  
OR

Cont...

- b From the following particulars, calculate blanket and department overhead rates:

Department	Direct wages Rs.	Overhead Rs
A	75,000	60,000
B	20,000	40,000
C	30,000	30,000
D	35,000	30,000
	1,60,000	1,60,000

- 9 a Explain the objectives of management Accounting

OR

- b Analyse the scope of management Accounting.

- 10 a From the following information Prepare Fund Flow Statement for the year 31-12-1996:

- Increase in working capital Rs. 4,000.
- Net Profit before writing off goodwill Rs.10,750.
- Depreciation for fixed assets Rs.1,750
- Dividend paid Rs. 3,500.
- Good will Rs. 5,000 written out of Profits.
- Rs. 5,000 share capital was issued for cash.
- Machinery was purchased for Rs. 10,000.

OR

- b After taking on to consideration the under mentioned items, Jain Ltd. made a net profit of 1,00,000 for the year ended 31st December 2000.

Loss on sale of machinery Rs.10,000

Depreciation on building Rs.4,000

Depreciation on machinery Rs.5,000

Preliminary expenses written off Rs. 5,000

Provision for taxation Rs. 10,000

Goodwill written off Rs. 5,000

Gain on sale of buildings Rs. 8,000

Find out cash from operation.

### SECTION -C (30 Marks)

Answer any **Three** questions

**ALL** questions carry **EQUAL** Marks

(3 x 10 = 30)

- 11 Prepare a cost sheet fromt the following details.

Raw materials consumed	Rs. 80,000
Direct wages	Rs. 48,000
Machine houres worked	Rs. .8,000
Machine hourses rate	-Rs. .4.00
Office overheads	10% of works cost
Selling overheads	Rs. 1.50 per unit
Units produced	4,000
Units sold	- 3600 @ Rs. 50 each

- 12 From the following information prepare a stores ledger account under Weighted average price method and FIFO method.

- 1995 December 1. Opening balance 60 Kg at Rs. 9n issued 45 Kg
- December 2. Purchased 70 Kg at Rs. 9.15
5. Issued 33Kg. At the time of verification it is found that there is a shortage of 2 Kg
9. Retruned to stores 12 Kg(which were issued at Rs. 7.35)
13. Issued 27 Kg.
20. Purchased 43 Kg at Rs. 10.45
27. Issued 12 Kg.

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- 13 In a factory there are three production Departments A, B and C and two service departments P and Q. For April 1996 the department expenses were:

A- Rs. 1,30,000; B Rs. 1,20,000; CRs. 1,00,000;

P-Rs. 24,000; Q-Rs. 20,000.

The Service department expenses are appointed on percentage basis as given below:

Departments					
	A	B	C	P	Q
P	30%	40%	15%	-	15%
Q	40%	30%	25%	5%	-

Prepare a statement showing the distribution of service department overheads to production department under Repeated Distribution method.

- 14 Differentiate between cost Accounting and management Accounting.
- 15 Prepare a statement of changes in working capital from the following Balance Sheets of Ram Seth Company.

Balance Sheet as on 31st December

Liabilities	2009 Rs	2010 Rs	Assets	2009 Rs	2010 Rs
Equity Capital	5,00,000	5,00,000	Fixed Assets	6,00,000	7,00,000
Debentures	3,70,000	4,50,000	Long term	2,00,000	1,00,000
Tax Payable	77,000	43,000	Investment		
Creditors	96,000	1,92,000	Work-in-progress	80,000	90,000
Interest	37,000	45,000	Stocks		
Payable	50,000	35,000	Debtors	1,50,000	2,25,000
Divided			Cash	70,000	1,40,000
Payable				30,000	10,000
	11,30,000	12,65,000		11,30,000	12,65,000

Z-Z-Z

END