

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BVoc DEGREE EXAMINATION DECEMBER 2024
(Fifth Semester)

Branch - FOOD PROCESSING TECHNOLOGY

MAJOR ELECTIVE COURSE – I : BASIC ACCOUNTING

Time: Three Hours

Maximum: 50 Marks

SECTION-A (5 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(5 x 1 = 5)

- 1 Goods returned by customer will be debited to which account?
(i) Purchase a/c (ii) Return inward
(iii) Return outward (iv) customer's a/c
- 2 The basic purpose of preparing trial balance is to
(i) find out the profit of business
(ii) show the financial status of business
(iii) test the arithmetic accuracy of ledger
(iv) net purchase of the business
- 3 Expenses related to the sale of goods are shown in the _____.
(i) Trading account (ii) Trading profit and loss account
(iii) Balance sheet (iv) Profit and loss account
- 4 Basic objectives of cost accounting is
i) Tax compliance. (ii) Financial audit
(iii) Cost ascertainment (iv) Profit analysis
- 5 The point of profit at which the total cost will be equal to total revenue is called
(i) Margin of safety (ii) Break-even point
(iii) The profit lines (iv) Prime cost

SECTION - B (15 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks

(5 x 3 = 15)

- 6 a Trace the advantages of double entry book keeping
OR
b. Journalize the following transactions in the book of Mr. John and post them in ledger

Date	Transactions	Amount(Rs)
1.3.2024	Brought goods for cash	Rs 50,000
2.3.2024	Sold goods for cash	Rs 1,0000
3.3.2024	Brought goods for credit	Rs 38,000
5.3.2024	Paid travel expenses	Rs 10, 000
7.3.2024	Sold goods on credit to Mr.Patil	Rs 16,,000
9.3.2024	Purchased furniture for cash	Rs 12,000

- 7 a Discuss the procedure for posting and balancing of account.
OR

- b Prepare the trial balance as per the following transactions.

Capital	2,00,000	Debtors	3,00,000
Cash	1,80,000	Bank loan	1,50,000
Creditors	1,00,000	Purchases	2,00,000
Sales	3,00,000	Stock	70,000

- 8 a Narrate the characteristics of balance sheet.
OR
b. State the importance of preparing profit and loss account .

Cont...

- 9 a Outline the advantages and disadvantages of cost accounting.

OR

- b Ascertain the prime cost, work cost, cost of production, total cost and profit from the given expenses

S.No	Particulars	Amount
1.	Direct material	10,000
2.	Direct labour	7,000
3.	Factory expenses	3,000
4.	Administrative expenses	1,600
5.	Selling expenses	1,400
6.	Sales	30,000

- 10 a. State the significance of break even analysis.

OR

- b. Summarize the significance of marginal costing.

SECTION -C (30 Marks)

Answer ALL questions

ALL questions carry EQUAL Marks (5 x 6 = 30)

- 11 a Examine the steps followed in journalizing an account with an example .

OR

- b Journalize the following transactions and post them to ledger

1.4. 2022	Commenced business with capital	Rs 5,000
2.4.2022	Purchased good from X	Rs 1,500
4.4.2022	Paid to X in cash	Rs 1,450
10.4.2022	Sold goods to Y	Rs 500
12.4.2022	Received cash from Y in full settlement	Rs 450
15.4.2022	Paid salary	Rs 400
17.4.2022	Purchased furniture	Rs 1,000
19.4.2022	Received interest	Rs 100
21.4.2022	Deposited cash in bank	Rs 1,000
26.4.2022	Paid wages	Rs 200
27.4.2022	With draw cash from bank for personal use	Rs 100

- 12 a Differentiate between balance sheet and Trail balance.

OR

- b Prepare a Trial Balance with the following information:

Bill payable	Rs 5,000	Sales return	Rs 6,000
Insurance	Rs 5,000	Maintenance expense	Rs 5,000
Investment	Rs 50,000	Vendor payable	Rs 4,000
Bank loan	Rs 20,000	Outstanding salary	7,000
Rent	Rs 10,000	Marketable security	5,000
Machinery	Rs 20,000	Unearned revenue	4,000

- 13 a Discuss the elements of final accounts.

OR

Cont...

- b Prepare profit and loss account for the year ending 31.12.2022 and a balance sheet.

S.No	Particulars	Amount (Rs.)
1.	Gross profit	21,05,000
2.	Trade expenses	20,000
3.	Carriage on sale	1,00,000
4.	Office salaries	1,58,000
5.	Postage & Telegram	7,200
6.	Office rent	75,000
7.	Legal charges	4,000
8.	Audit fee	16,000
9.	Donation	11,000
10.	Sun dry expenses	3,600
11.	Selling expenses	53,200
12.	Discount allowed	30,000
13.	Lighting	7,800
14.	Commission received	8,400
15.	Bad debts	12,000
16.	Discount	6,000
17.	Interest on loan	22,000

- 14 a Differentiate between cost accounting and financial and state the advantages of cost accounting .

OR

- b The following particulars have been obtained from the cost records from the manufacturing concern in the year 2022 . Prepare the cost sheet

.No	Particulars	Amount(Rs)
1.	Materials used in manufacturing	1,00,000
2.	Materials used in packing	30,000
4.	Materials used in factory	1500
5.	Wages	31,500
	Lightening: office	500
6.	Indirect expenses	4,000
7.	Administrative expense	2,500
8.	Rent: factory	3,000
9.	Repair & renovation: factory plant	3,500
10.	Consumable stores	2,500
11.	Managers salary	5,000
12.	Director's fee	1,250
13.	Office stationery	500
14.	Telephone charges	125
15.	Postage & telegram	250
16.	Salesman salary	1250
17.	Travelling expenses	500
18.	Advertising	1250
19.	Warehouse charges	500
20.	Sales	1,89,500

Assume the product 's manufactured during the year have been sold to earn a profit of 20% on selling price

- 15 a Explain the purchase and production budgets with examples.

OR

- b Discuss the advantages, limitations and applications of marginal costing.

Z-Z-Z

END