

PSG COLLEGE OF ARTS & SCIENCE  
(AUTONOMOUS)

B.Voc DEGREE EXAMINATION MAY 2017  
(Sixth Semester)

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Branch - FOOD PROCESSING TECHNOLOGY

< ELECTIVE - II BASIC ACCOUNTING

Time : Three Hours

Maximum : 75 Marks

SECTION-A (20 Marks)

Answer ALL questions

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

- 1 What is accounting?
- 2 What is 'double - entry system'?
- 3 What is ledger?
- 4 What is a trial balance?
- 5 What is gross profit?
- 6 What is balance sheet?
- 7 Define cost accounting/
- 8 What is cost sheet?
- 9' Define marginal costing.
- 10 What is BEP?

SECTION - B (25 Marks)

Answer ALL Questions

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

11 a What are the objectives of accounting?

OR

b Journalise the following transaction:

2016		Rs.'
Feb 1	Brought capital	1,00,000
Feb 2	Purchased goods	10,000
Feb 3	Cash sales '	25,000
Feb 4	Sold goods to Ravi	40,000
Feb 5	Rent paid *	5,000

12 a Explain the objectives of preparing a trial balance.

OR

b Prepare trial balance from the following:

	Rs.		Rs.
Capital	9,000	Rent out standing	1,000
Plant & machinery	12,000	Opening stock	2,000
Purchases	8,000	Sales returns	4,000
Sales	12,000	Investments	14,000
Sundry creditors	8,000	Debtors	12,000
Bank loan	22,000		

13 a What are the items appearing on the debit side of trading account?

OR

b Prepare a trading account for the year ended 31.12.2015.

	Rs.
Opening stock (1.1.2015)	50,000
Goods purchased during the year 2015	2,80,000
Freight and packaging on the above	20,000
Closing stock (31.12.15)	60,000
Sales	3,80,000

14 a Explain the objectives of cost accounting.

OR

Cont...

From the following particulars prepare cost sheet

	Rs.		Rs.
Direct material	8,000	Factory overheads	5,000
Direct wages	6,000	Selling and distribution	
Direct expenses	2,500	expenses	2,500
Administrative* overheads	4,000	Sales	40,000

What are the features of marginal costing?'

OR

Determine the amount of fixed expenses from the following particulars.

	Rs.
Sales	2,50,000
Direct material	* 80,000
Direct labour	50,000
Variable overheads	20,000
Profit	60,000

### SECTION - C (30 Marks)!

Answer any THREE Questions

ALL Questions Carry EQUAL Marks (3 x 10 = 30)

Explain various accounting concepts.

Describe the errors that are not disclosed by trial balance.

Prepare trading and profit and loss account from the information given below

	Rs.		Rs.
Opening stock	3,600	Rent (factory)	400
Purchases	18,260	Rent (office)	500
Wages	3,620	Sales returns	700
Closing stock	4,420	Purchase returns	900
Sales	32,000	General expenses	900
Carriage on purchases	500	Discount to customers	360
Carriage on sales	400	Interest from bank	200

From the following particulars prepare costs sheet:

	1.1.2009	31.1.2009
Raw material	20,000	32,000
Work-in-progress	26,500	14,000
Purchase of raw material		90,000
Carriage inwards		2,000
Direct wages		40,000
Chargeable expenses		15,000
Works overheads		22,500
Administrative overheads		10,000
Selling and distribution overheads		14,000
Sales		2,20,000

The following information are given for two companies:

	X Ltd.	Y Ltd.
Unit produced and sold	17,000	17,000
Revenues	1,70,000	1,70,000
Fixed cost	85,000	34,000
Operating income	51,000	51,000
Variable cost	1 34,000	85,000

Find out the break - even point of each company both in units as well as in volume.