

PSG COLLEGE OF ARTS & SCIENCE  
(AUTONOMOUS)

BSc DEGREE EXAMINATION DECEMBER 2022  
(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 The another name for Purchase book is  
(i) Sales book (ii) Bought book  
(iii) Cash book (iv) Sales return book
- 3 Which account is prepared in order to calculate the net profit or net loss of the business?  
(i) Trading (ii) Profit & Loss  
(iii) Capital (iv) Sales
- 4 EOQ stands for:  
(i) Easy object quality (ii) Economic order quality  
(iii) Economic object quantity (iv) Economic order quantity
- 5 How much Bonus given to workers in Halsey plan?  
(i) 60% (ii) 33 1/3%  
(iii) 50% (iv) 20%

SECTION - B (15 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks

(5 x 3 = 15)

- 6 a Journalise the following transactions on 2007 January.  
➤ Withdrawn from bank for office use ₹2,000  
➤ Withdrawn from bank for personal use of the proprietor ₹1,000  
➤ Rent received amounted to ₹3,000  
➤ Buildings purchased by paying cash for ₹90,000  
➤ Furniture bought by giving a cheque for ₹10,000  
OR  
b Bring out the rules for accounting system.
- 7 a Enter the following transactions in the purchase book of Mr. Prakash  
1.1.2010 Purchased goods from Balu ₹ 30,000  
4.1.2010 Bought goods from Gowri ₹ 13,500  
21.1.2010 Bought goods from Rajesh ₹ 9,000  
22. 1.2010 Furniture purchased from Ram ₹ 3,000  
OR  
b Enter the following transactions of a trader in a double column cash book.  
Jan. 2006  
1 Nizam started business with ₹1,00,000  
2 Deposited into bank of Bodi ₹95,000  
5 Purchased a building for ₹70,000 and paid by cheque  
10 Purchased merchandise ₹20,000 and paid by cheque  
25 Paid freight ₹50  
29 Withdrew from bank for personal use ₹500  
30 Cleared electricity bill ₹90

Cont...

- 8 a From the following information given below prepare Trading A/c.

	₹
Opening Stock	1,00,000
Purchases	1,50,000
Purchase Returns	25,000
Direct expenses	10,000
Carriage inwards	5,000
Sales	4,00,000
Closing stock	50,000

OR

- b From the following balances prepare Profit and Loss Account:

	₹
Gross Profit	50,000
Rent	10,000
Depreciation	8,000
Discount allowed	12,000
Advertisement	4,000
Audit fees	1,000
Interest received	2,000
Discount received	3,000
Carriage outwards	2,500
Insurance	3,500
General expenses	3,000

- 9 a Calculate Economic Order Quantity from the following data:

Annual usage	: 600units
Cost of placing an order	: ₹12
Price of material per unit	: ₹20
Cost of storage	: 20%

OR

- b Material X is used as follows:

Minimum usage: 50 units per week each,  
 Maximum usage: 150 units per week each,  
 Normal usage: 100 units per week each,  
 Ordering quantities: X – 600 units,  
 Delivery period: X – 4 to 6 weeks,

Calculate for each material a) minimum level b) Maximum level and

- 10 a Calculate the earnings of a worker under halsey plan.

Time allowed = 48hours  
 Time taken = 40 hours  
 Rate per hour = ₹10

OR

- b Describe the merits and demerits of rowan bonus scheme.

**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 on 2005 January:

Capital introduced by X ₹50,000  
 Cash deposited into bank ₹10,000  
 Cash purchases made from Y ₹5,000  
 Credit purchases made from Z ₹20,000  
 Paid for stationery ₹800

Cont...

OR

- b You are required to prepare Trial Balance from the following as on 31<sup>st</sup> March 2005.

	₹		₹
Capital	52,000	Printing	240
Sales	1,01,200	Sundry debtors	31,000
Purchase returns	1,900	Purchases	72,000
Opening stock	22,000	Rent	560
Furniture	5,500	Carriage Inwards	390
Sundry creditors	6,000	Bad debts	160
Investments	16,700	Postage	210
Salaries	1,800	Travelling expenses	770
Wages	1,300	Cash at bank	3,270
Sales returns	5,200		

- 12 a Enter the following transactions in the three column cash book:

July	₹
1 Rajan commenced business with	10,000
2 Paid into bank	6,000
5 Paid to Murali by cheque ₹ 2,000 and was allowed discount	100
6 Cash sales	5,000
7 Paid into bank	3,000
8 Purchased furniture by cheque	2,000
9 Received from Gowri ₹ 2,000, discount allowed to her	50
10 Withdrew from bank for office use	1,000
13 Cash purchases paid by cheque	800
15 Paid salaries by cheque	1500

OR

- b Prepare a petty cash book from the following:

Cashier received a sum of money ₹100 on June 1<sup>st</sup> 2014  
 2004 June  
 8<sup>th</sup> Bought stamps ₹15  
 9 Paid taxd hire ₹2.50  
 10 Paid for carriage ₹ 6.50  
 11 Purchased envelopes ₹5.50  
 12 Paid for repairs of typewriter ₹.16  
 14 Paid carriage ₹25

- 13 a Prepare final accounts of Mr. M. from the following:

	₹		₹
To Purchases	15,000	By Capital	40,000
To Salaries	2,000	By Sales	25,000
To Rent	1,500	By Creditors	1,000
To Insurance	300		
To Drawings	5,000		
To Machinery	28,000		
To Bank	4,500		
To Cash	2,000		
To Stock(1.1.05)	5,200		
To Debtors	2,500		
	<u>66,000</u>		<u>66,000</u>

Adjustment Required:

- i) Stock on hand on 31<sup>st</sup> March 2005, ₹ 4,900.  
 ii) Rent paid in advance ₹ 200  
 Insurance paid in advance ₹ 90

OR

Cont...

- b Enumerate the uses and limitations of balance sheet.
- 14 a Prepare stores ledger account under FIFO method from the following information
- Jan 1 purchased 500 kg at ₹ 20 per kg
  - 10 Purchased 300 kg at ₹ 21 per kg
  - 15 Issued 600 kg
  - 20 Purchase 400 kg at ₹ 22 per kg
  - 25 Issued 300 kg
  - 27 Purchased 500 kg at ₹ 21 per kg
  - 31 Issued 200 kg.

OR

- b From the following particulars write up the priced Stores Ledger under Last-in-first-out:

Dec 1 Stock in hand 500 units at ₹20

- 3 Issued 200 units
- 3 Purchased 150 units at ₹22
- 4 Issued 100 units
- 5 Purchased 200 units at ₹25
- 6 Issued 300 units
- 6 Returned to Store 10 units (Issued on 4<sup>th</sup> December)
- 7 Issued 100 units
- 8 Issued 50 units

On 10<sup>th</sup>, it was noticed that there is a shortage of 10 units.

- 15 a Calculate the earnings of workers A and B under Straight Piece-rate System and Taylor's Differential Piece-rate System from the following particulars:
- Normal time rate per hour = ₹5
  - Standard production: 10 units per hour
  - Differentials to be applied:
    - 80% of piece rate below standard
    - 120% of piece rate at or above standard.
  - Worker A produced 80 units per day of 10 hours and worker B produced 110 units per day of 10 hours.

OR

- b Enumerate the essential requisites of good wage system

Z-Z-Z

END