

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)
BSc DEGREE EXAMINATION DECEMBER 2019
(Fourth Semester)

Branch - **INFORMATION TECHNOLOGY**

ACCOUNTANCY

Time : Three Hours

Maximum : 75 Marks

SECTION-A (20 Marks)

Answer **ALL** questions

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

- 1 What do you mean by double entry system of book keeping?
- 2 State any two objectives of accounting.
- 3 What is trial balance? - <
- 4 Write a note on balancing ledger accounts.
- 5 State any two subsidiary books.
- 6 Write a note on Subsidiary books.
- 7 What is P&L account?
- 8 How do you calculate Gross Profit?
- 9 State any two objectives of Cost Accounting.
- 10 What is Prime Cost?

SECTION - B 125 Marks!

Answer **ALL** Questions

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

- 11 a Explain Accounting conventions.

OR

- b Enter the following transactions in the books of Mr. Anandhan:

2019 January 1 Started business with cash	Rs. 10,000
2 Deposited into bank	Rs. 7,000
5 Goods purchased for cash	Rs. 500
8 Withdrew from bank for office use	Rs. 100
10 Credit sales to Krishna	Rs. 150

- 12 a Enumerate the advantages of a Trial Balance.

OR

- b Prepare Trial Balance.

	Rs.
Opening Stock	10,600
Wages	2,200
Carriage	200
Commission (Dr.)	300
Purchases	12,000
Returns inward	440
Trade Expenses	580
Rent	200
Plant	2,600
Repairs to plant	460
Cash in hand	200
Cash at bank	1,000
Debtors	3,000
Income Tax	500
Drawings	700
Returns Outwards	150
Sales	25,200
Discount received	400
Capital	7,000
Creditors	830
Loan (Cr.)	1,400

- 13 a Consider the following transaction of a furniture showroom and enter them into purchase book.

13 a Cont...

March 5 Purchased from 'R and C Company, Baroda'
10 Steel Cabinets @ Rs. 150 per cabinet
March 10 Purchased on credit from SFC, Baroda
50 Chairs @ Rs.160 per chair
Less trade discount @ 10%

OR

b From the following data write up the sales day book of "Shyamal Traders".

June 1: Sold to Prakash Traders 100 bags of tea @ Rs.65 per bag. Less trade discount @ 5%.
June 8: Sold to "Rao Traders" 10 bags of milk powder @ Rs.400 per bag. Less trade discount @ 15%.
June 15: Sold to "Lotus (p) ltd" 10 bags of sugar @ Rs.2000 per bag less 10% trade discount.

14 a Prepare Trading and Profit and Loss a/c for the year ending 31.12.2018.

Opening Stock	10,000
Purchases	20,000
Sales	1,00,000
Wages	5,000
Salaries	6,000
Discount received	2,000
Interest paid	4,500
Rent paid	6,000
Printing and Stationery	200
Postage and Telegram	3,400

OR

From the following data, you are required to prepare Balance Sheet

Capital	5,00,000	Sundry Debtors	1,00,000
Sundry Creditors	1,50,000	Bills Receivable	35,000
Assets	7,75,000	Cash at Bank	30,000
Net Profit	55,000	Drawings	5,000
Bills Payable	30,000	Other liabilities	2,10,000

15 a Enumerate the advantages of Cost Accounting.

OR

b From the following information calculate the Prime Cost, Works Cost and Cost of production and total cost

Direct Material	Rs.90,000
Direct Labour	Rs.32,000
Direct Expenses	Rs.9,000
Factory Overheads	Rs.25,000
Office and Administration Overhead	Rs. 18,000
Selling and Distribution Overhead	Rs.5,000

SECTION - C 130 Marks!Answer any **THREE** Questions**ALL** Questions Carry **EQUAL** Marks (3 x 10 = 30)

16 Briefly explain the various concepts of Accounting.

17 Mr.Nirmal has the following transactions in the month of April. Write Journal entries for the transactions.

10th April: Commenced business with a capital of 1,00,000
11th April: Purchased goods from Veeru for 20,000
13th April: Purchased goods for cash 15,000
14th April: Purchased goods from Abhiram for cash 9,000
16th April: Bought goods from Shyam on credit 12,000
17th April: Sold goods worth 15,000 to Tarun
19th April: Sold goods for cash 20,000
20th April: Sold goods to Utsav for cash 6,000

- 18 Enter the following transactions in the appropriate Subsidiary books of M/s.Sita & Co.
 2018 Oct 2 Bought goods from Satish Rs.2,400 as per invoice No.63.
 4 Sold to Sivagami goods Rs. 1,600 as per invoice No.71.
 7 Returned to Satish goods of Rs.250 as per debit note No.4.
 8 Sivagami returned goods Rs. 150 as per credit note No.8.
 12 Sold to Vijaya goods of Rs.950 as per invoice No.72.
 14 Purchased from Velan goods worth Rs. 1,100
 18 Returned to Sampath goods of Rs.150 as per debit note No.5.
 22 Vijaya returned goods of Rs.240 Credit note No.9.

- 19 The following are the ledger balances extracted from the books of Raja.

	Rs.
Raja's capital	50,000
Bank overdraft	10,400
Furniture	5,200
Business premises	40,000
Creditors	26,600
Opening Stock	44,000
Debtors	36,000
Rent from tenants	2,000
Purchases	2,20,000
Sales	3,01,000
Return Inwards	5,000
Discount (Cr.)	800
Taxes & Insurance	4,000
General expenses	8,000
Salaries	18,000
Commission allowed	4,400
Carriage on purchases	3,600
Provision for doubtful debts	1,000
Bad debts written off	1,600

Adjustments:

- i. Stock on hand on 31 -12-2012 was estimated as Rs.40,120.
 - ii. Write off depreciation on business premises Rs.600 and furniture Rs.520
 - iii. Make a provision of 5% on debtors for bad and doubtful debts.
 - iv. Allow interest on capital at 5% and carry forward Rs. 1,400 for unexpired insurance.
- Prepare final accounts for the year ended 31st December 2018.

- 20 From the following information prepare a cost sheet for the month of Dec.2018.

Particulars	Rs.
Stock on hand - 1 st Dec. 2018:	
Raw Materials	25,000
Finished goods	17,300
Stock on hand - 31 st Dec. 2018:	
Raw Materials	26,200
Finished goods	15,700
Purchase of raw materials	21,900
Carriage on purchases	1,100
Work-in-progress 1-12-2018 at works cost	8,200
Work-in-progress 31-12-2018 at works cost	9,100
Sale of finished goods	72,300
Direct wages	17,200
Non productive wages	800
Direct expenses	1,200
Factory overhead	8,300
Administrative overheads	3,200
Selling and distribution overheads	4,200