

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)
BSc DEGREE EXAMINATION MAY 2019
(Third Semester)

Branch – **COSTUME DESIGN & FASHION**

APPAREL COSTING & ACCOUNTING

Time : Three Hours

Maximum : 75 Marks

SECTION-A (20 Marks)

Answer **ALL** questions

ALL questions carry **EQUAL** marks

(10 x 2 = 20)

- 1 Write any two objectives of Accounting.
- 2 Define Trial Balance
- 3 What is cash discount?
- 4 Give any two advantages of cash book.
- 5 Define Balance Sheet
- 6 What do you mean by current assets?
- 7 Define Cost accounting
- 8 What is EOQ?
- 9 Define labour cost?
- 10 Explain briefly Idle time

SECTION - B (25 Marks)

Answer **ALL** Questions

ALL Questions Carry **EQUAL** Marks

(5 x 5 = 25)

- 11 a What is book-keeping ? Give its advantages.

OR

- b From the following balances prepare a Trial Balance.

Particulars	Amt.(Rs.)	Particulars	Amt.(Rs.)
Cash in hand	2,000	Purchase Returns	4,000
Wages	8,000	Establishment expenses	12,000
Sales returns	8,000	Capital	22,000
Carriage outward	2,000	Discount Received	1,200
Commission Earned	800	Machinery	20,000
Stock	10,000	Debtors	8,000
Creditors	12,000	Sales	44,000
Purchases	28,000	Bank Overdraft	14,000
Manufacturing Expenses	14,000	Loan from Ashok	14,000
Carriage Inward	1,000	Interest on Investment	1,000

- 12 a Enter the following transactions in proper subsidiary books.

Date	Transaction
2013 March 1	Purchased goods from Balu Rs.2,000
2	Sold goods to Senthil Rs.1,000
3	Goods purchases from Durai Rs.1,000
5	Sold goods to Saravanan Rs.700
8	Sold goods to Senthil Rs.500
10	Purchased goods form Elango Rs.600
14	Purchased goods form Parthiban Rs.300
20	Sold goods to Sukumar Rs.600

OR

- b Enter the following transaction in the cash book of Mr.Srinivasan.

Date	Transaction
2012 May 1	Cash in hand Rs.50,000
3	Cash paid to Rajan Rs.6,000
	Discount allowed by him Rs.100
6	Cash purchases Rs.10,000
10	Received cash from Arun Rs,2,900 and allowed him discount Rs.100
13	Cash sales Rs.15,000
15	Electricity charges paid Rs.1,000

- 13 a Prepare profit & Loss account of RSP Ltd. for the year ended 31.12.2016.

Particulars	Amt.(Rs.)	Particulars	Amt.(Rs.)
Gross profit	5,25,000	Bad debts	2,200
Salaries & wages	1,00,000	Stationery & printing	500
Rent	10,000	Omission received	3,000
Depreciation	5,000	Discount received	2,000
Interest on loan	5,000	Interest received	5,000
Office expenses	1,500	Advertising	9,000
Distribution expenses	2,500	Taxes & insurance	2,000
Salesman salary	8,000		

OR

- b From the following information prepare balance sheet of Mr. Ram as at 31st December 2013.

Particulars	Amt.(Rs.)	Particulars	Amt.(Rs.)
Goodwill	10,000	Sundry debtors	25,000
Capital	90,000	Drawings	15,000
Cash in hand	10,000	Land & buildings	30,000
Investment	500	Bank	10,000
Net profit	46,900	Creditors	31,500
Bills receivable	6,500	Plant & machinery	20,000
Bills payable	5,350	Closing stock	40,000
Furniture			

- 14 a Define cost accounting. What are its objectives?

OR

- b From the following information prepare a cost sheet for the month of January 2018.

Particulars	Amount	Particulars	Amount
Stock of raw materials on 1 st January 2018	25,000	Non-productive wages	800
Stock of raw materials on 31 st January 2018	26,200	Direct expenses	1,200
Purchase of raw material	21,900	Factory overheads	8,300
Carriage on purchases	1,100	Direct wages	17,200
Sale of finished goods	72,300	Selling overheads	4,200
Administrative overheads	3,200		

- 15 a From the following information calculate the earning of 'A' and 'B' under piece rate system and under Taylor's differential piece rate system.

Standard time - 10 units per hour

Normal wages - Re.1 per hour

Differentials to be applied

75% of piece rate when below standard

125% of piece rate when above standard

In a day of 8 hours 'A' produced 60 units and 'B' 100 unit

OR

- b Calculate the total earning and the hourly earning of three workmen under the Halsey and Rowan Plans. The bonus under Halsey plan is 50% of the time saved. Standard time: 20 hours, Hourly rate of wages is Rs.4, Time taken by A - 16 hours and B- 10 hours and C - 8 hours

SECTION - C (30 Marks)

Answer any **THREE** Questions

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

- 16 Journalize the following transactions in the books of M/s Ram & Co as on 30th

16 Cont...

3 rd June	Purchased goods for cash	Rs.5,000
5 th June	Purchased goods on credit from M/s Devi Prasath	Rs.10,000
10 th June	Sold goods to Mr. Kumar for cash	Rs.15,000
15 th June	Paid salary by cheque	Rs.2,500
20 th June	Paid M/s Devi Prasath by cheque	Rs.10,000
25 th June	Sold goods to M/s Kumana Enterprises	Rs.20,000
30 th June	Received cash from M/s Kumana Enterprises	Rs.20,000
30 th June	Deposited cash into the bank	Rs.15,000

- 17 Enter the following transactions in Muralis cash book with discount, cash and bank column.

Date	Transaction
2012 May	Cash balance Rs.6,000
1	Bank balance Rs.4,000
2	Withdrew from bank Rs.2,000
3	Abdulla directly paid into bank account Rs.3,000
4	Cheque received from Danieal Rs.5,000 sent to bank
7	Cheque received from Ramakrishan for sales Rs.8,000
8	Received cash from Subramaniyam Rs.2,800 discount allowed Rs.200
10	Ramkrishnaan cheque sent to bank for collection
14	Paid to Balu by cheque Rs.13,900. Discount received Rs.100
17	Withdrew cash for personal use Rs.1,500 and by cheque Rs.12,500
27	Rent paid Rs.2,000

- 18 The following balances are extracted from the books of Mr.Ravi on 31.12.2017

Particulars	Dr.(Rs.)	Particulars	Cr.(Rs.)
Stock on 1.1.2017	17,000	Sales	60,000
Manufacturing wages	10,000	Creditors	20,000
Factory rent	2,000	Bills payable	10,000
Factory lighting	3,000	Capital	43,000
Purchase	30,000		
Carriage	3,000		
Salary	2,000		
Office rent	2,000		
Printing & Stationery	1,000		
Bad debts	1,000		
Land	10,000		
Buildings	20,000		
Plant & Machinery	15,000		
Furniture	5,000		
Depreciation	2,000		
Debtors	5,000		
Cash in hand	5,000		
	1,33,000		1,33,000

Closing stock was valued Rs.19,000.

- 19 Discuss about the essentials of material control.
- 20 From the following particulars, calculate wages earned by workers X, Y and Z respectively under Taylor's system:
- Standard time allowed - 10 units per hour
Normal wages rate - Rs.10 per hour
Differentials rates to be applied
90% of piece rate when below standard
125% of piece rate when at or above standard
The production on a day of 8 hours
X - 75 units Y - 85 units Z - 120 units