

**PSG COLLEGE OF ARTS & SCIENCE  
(AUTONOMOUS)**

**BSc DEGREE EXAMINATION MAY 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

(10 x 2 = 20)

**Write short notes :**

- 1 What are classifications of Accounts?
- 2 What is Book Keeping?
- 3 Write the meaning of Journal.
- 4 What do you mean by Trial Balance?
- 5 What is meant by journal proper?
- 6 List out the types of subsidiary books.
- 7 What is Trading Account?
- 8 What do you understand about bad debts?
- 9 What is Prime Cost?
- 10 How do you calculate Factory Cost?

**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 transactions :

Date	Transactions	Rs. .
2010 May	1 Purchased goods for cash	10,000
	2 Purchased stationary for cash	500
	3 Purchased furniture for cash	3,000
	4 Sold goods for cash	8,000
	5 Paid salary	2,000

- 12 a "Ledger is the principal book of a business" – Explain.

OR

- b The following balances were extracted from the ledger of Ram & Co works on 31st March 2015. You are required to prepare Trial Balance :

	Rs.		Rs.
Drawings	6,000	Cash at bank	12,500
Capital	24,000	Tax	3,500
Sundry creditors	43,000	Sales	1,28,000
Bills payable	4,000	Salaries	9,500
Sundry debtors	50,000	Sales Returns	1,000
Bills receivable	5,200	Purchase returns	1,100
Loan from Arun	10,000	Travelling expenses	4,600
Furniture & fixtures	4,500	Commission paid	100
Opening stock	47,600	Trading expenses	2,500
Cash in hand	900	Discount earned	4,000
		Rent	2,000
		Bank overdraft	6,000
		Purchases	70,800

- 13 a Record the following transactions for the month of January 2015 in the purchase book of M/s Naresh Electronics :

Jan 4 Purchased from M/s Brown Electronics :  
 20 Black and White TVs @ Rs. 5,200 per piece.  
 10 Colour TVs @ Rs. 12,000 per piece  
 Trade discount on all items @ 12%

**Cont...**

Jan 10 Purchased from M/s Mani Electronics :  
 12 video tapes @ Rs. 600 per piece  
 8 Philips tape recorders @ Rs. 2,500 per piece.

OR

- b Enter the following transactions in the Sales Book of M/S Saran Raj & brothers :
- |      |        |   |
|------|--------|---|
| 2016 | May 2  | Sold to M/s Ragul brothers<br>200 pieces long cloth @ Rs. 90 per piece<br>300 pieces shirting @ Rs. 100 per piece |
|      | May 5  | Sold to M/s Gupta :<br>20 pieces costing @ Rs. 250 per piece  |
|      | May 16 | Sold to M/s Mathur & Jain :<br>250 blankets @ Rs. 50 each<br>120 blankets @ Rs. 75 each.                          |
- 14 a The trial balance shows the following as on 31-03-2015 :  
 Capital – Rs. 10,00,000 Drawings (1-7-14) – Rs. 1,00,000  
 Charge interest on drawings @ 5%  
 Show how this item will appear in the Final Accounts.

OR

- b Prepare trading Account of Arjun for the year ending 31-12-2016 from the following information :
- Opening stock – Rs. 80,000; Purchases – Rs. 8,60,000; Freight inward – Rs. 52,000; Wages – Rs. 24,000; Sales – Rs. 14,40,000; purchase Returns – Rs. 10,000; Sales Returns – Rs. 3,16,000; Closing stock – 1,00,000; Import duty – Rs. 30,000.

- 15 a What are the objectives of Cost Accounting? Explain.

OR

- b The following cost data are available from the books for the year ended 31<sup>st</sup> March 2016 :

	Rs.		Rs.
Direct material	90,000	Selling & distribution O/H	52,500
Direct wages	75,000	Administrative O/H	42,000
Profit	60,900	Factory O/H	45,000

Prepare Cost Sheet.

**SECTION - C (30 Marks)**

Answer any **THREE** Questions

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

- 16 Describe the various Conventions and Concepts of Accounting.

- 17 Journalise the following transactions of Mr. Radha & Co. :

2015 January		Rs.
1	Business started with Rs. 2,50,000 and cash deposited with bank	1,50,000
3	Purchased machinery on credit from Ragu	50,000
6	Bought furniture from Ramesh for cash	25,000
12	Goods sold to Yasodha	22,500
13	Goods returned by Yasodha	2,500
15	Goods sold for cash	50,000
17	Bought goods for cash	25,000
20	Cash received from Yasodha	10,000
21	Cash paid to Ramu	20,000
25	Cash withdraw from bank	50,000
29	Paid advertisement expenses	12,500
30	Bought office stationary for cash	5,000
31	Paid salaries	15,000
31	Paid rent	2,500

Cont...

18 Prepare the appropriate subsidiary books from the following data :

2015	August	Rs.
1	Purchased goods returned to Senthil	205
3	Received goods returned by Natraj	300
5	Goods returned to Kannan	500
7	Sales returns of Rs. 1,260 by Mathi	
15	Returned defective goods to Rajan	1,280
18	Damaged – goods returned by Murali	1,120
19	Outward returns to Kanagasabai	275
29	Inward returns by Swami	750
30	Returned inferior goods to Sankar	890
31	Selvan returned goods to us	1,330

19 The following are ledger balances extracted from the books of Weifa :

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

**Adjustments :**

- Stock on hand on 31-12-2015 was Rs. 40,120.
- Written off depreciation on business premises Rs. 600 and furniture – Rs. 520
- Make a provision of 5% on debtors for bad and doubtful debts.
- Allow interest on capital at 5% and carry forward Rs. 1400 for unexpired insurance.

Prepare final account for the year ended 31-12-2015.

20 Prepare a cost sheet for the year ended 31-3-2015 from the following figures extracted from the books of ABC Co :

Opening stock :

- Raw material – 40,350
- Work-in-progress – 15,000 and
- Finished stock – 35,590

Cost incurred during the period :

Materials purchased – 2,50,000; Wages paid – 2,00,000; Carriage inward – 2,000; Consumable stores – 10,000; Wages of store keeper – 7,000; Depreciation of plant and machinery – 10,000; Materials destroyed by fire – 5,000; Repairs & Renewals – 5,010; Office Manager's salary – 10,000; Salary to office staff – 20,500; Printing & stationary – 10,000; Power – 10,500; Lighting for office building – 2,000;

Carriage outward : Freight – 5,000, Entertainment – 2,500; Ware housing charges – 1,500; Legal charges – 2,000; Expenses for participating in Industrial exhibition – 6,000

Closing stock :

- Raw material – 35,000
- Work-in-progress – 14,500 and
- Finished stock – 40,030, Profit 25% on cost.

Z-Z-Z

END