Reg.No. \_\_\_\_\_\_\_\_\_\_\_\_



**End Semester Examination – Nov / Dec – 2019**

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  |  |
| **Code: 17MS2005** | | **Duration :** | **3hrs** |
| **Sub. Name : BUSINESS ACCOUNTING** | | **Max. Marks :** | **100** |

**ANSWER ALL QUESTIONS (5 x 20 = 100 Marks)**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Q. No.** | | **Sub Div.** |  | **Course**  **Outcome** | | | | **Marks** | |
|  | |  | Enter the following transaction in the Journal and Ledger of Raj of Chennai in the year 2000.   |  |  |  | | --- | --- | --- | | **Date** | **Particulars** | **Amount in Rs** | | Dec-01 | Ram Started business with a capital of | Rs.50000 | | Dec-02 | Purchased machinary | Rs.5000 | | Dec-03 | Bought goods on credit from Vinod for | Rs.8000 | | Dec-14 | Sold goods to Suresh | Rs.5000 | | Dec-15 | Received cash from Suresh | Rs.3000 | | Dec-26 | Paid Vinod | Rs.3000 | | Dec-27 | Sold goods for cash | Rs. 8000 | | Dec-30 | Paid Rent | Rs.1200 | | Dec-31 | Paid cash for stationery | Rs.600 | | | CO1 | | | 20 | |
|
| (OR) | | | | | | | | | |
| 2. | | a. | Explain the objectives of Accounting. | CO1 | | | | 10 | |
| b. | Write a short note on:  i) Going concern concept.  ii) Money measurement concept.  iii) Cost concept.  iv) Dual aspect concept. | CO1 | | | | 10 | |
|  | |  |  |  | | | |  | |
| 3. | | a. | Discuss the Branches of Accounting. | CO2 | | | | 10 | |
| b. | Explain the types of accounts with relevant examples. | CO1 | | | | 10 | |
| (OR) | | | | | | | | | |
| 4. | | a. | Record the following transaction for the month of January 2017 in the purchase book of M/s Narain Electronics.   |  | | --- | | Jan. 4 Purchased from M/S Brown Electronics: | | 15 Colour T.Vs @ Rs.12000 per piece | | 13 Laptops @ Rs. 22000 per piece. | | Trade discount on all items @ 12% | | Jan. 10 Purchased from M/S Mani Electronics | | 12 Video tapes @ Rs. 1200 per piece. | | 8 Philips headsets @ Rs.2500 per piece. | | Jan. 19 Purchased from M/S Sehgal Electronics | | 15 LG Stereos @ Rs.3500 per piece. | | 20 LG Colour T.Vs @ Rs. 25000 per piece. | | Trade discount @ 15% | | Jan. 24 Purchased from M/S Gupta Electronics: | | 200 Audio Cassettes @ Rs. 25 per piece. | | 30 Video recorders @ Rs. 500 per piece. | | | | CO1 | | 10 | |
| b. | Briefly discuss the Subsidiary books. | | | CO2 | | 10 | |
|  | |
| 5. | | a. | Discuss the objectives of Cost Accounting. | | | CO4 | | 10 |
| b. | Explain the format of Trading Account and Profit & Loss account. | | | CO2 | | 10 |
| (OR) | | | | | | | | |
| 6. |  | | Prepare Trading account, Profit & Loss A/C and Balance Sheet from the following Trial Balance of Mr.M.Madan.   |  |  |  |  | | --- | --- | --- | --- | | Capital | 50000 | Sales | 301000 | | Bank Overdraft | 8400 | Return inwards | 5000 | | Furniture | 5200 | Discount(Cr.) | 800 | | Business Premises | 40000 | Taxes & Insurance | 4000 | | Creditors | 26600 | General Expenses | 8000 | | Opening stock | 44000 | Salaries | 18000 | | Debtors | 36000 | Commission Allowed | 4400 | | Rent from Tenants | 2000 | Carriage on Purchase | 3600 | | Purchases | 220000 | Provision for Doubtful debts | 1000 | |  |  | Bad debts written off | 1600 | |  |  |  |  |   **Additional Information:**   |  | | --- | | a. Stock on hand on 31-12-2018 was estimated as Rs 40120 | | b. Written off depreciation on business premises Rs.600 and furniture Rs.520 | | c. Make a provision of 5% on debtors for bad & doubtful debts. | | d. Allow interest on capital at 5% and carry forward Rs.1400 for unexpired  insurance. | | Prepare Final Accounts for the year ended 31-12-2018 | | | | CO3 | 20 | |
|  |  | |  | | |  |  | |
| 7. | a. | | Prepare a cost sheet of the following data relating to the manufacturer of jeans: Number of Jeans manufactured during the month.   |  |  |  |  | | --- | --- | --- | --- | | Direct material consumes | 25000 | Factory lighting | 800 | | Direct labour | 10000 | Oil for machines | 200 | | Indirect labour (in factory) | 3000 | Depreciation of machine | 800 | | Supervision cost (in factory) | 2000 | Office overheads | 9000 | | Factory premises rent | 1300 | Office salaries | 3000 | | Selling and distribution overheads | 6000 | Misc. office expenses | 1500 |   Note: A profit margin of 20% on the total cost of goods is expected on the sale of Jeans. | | | CO4 | 10 | |
| b. | | Briefly explain the elements of Cost accounting. | | | CO4 | 10 | |
| (OR) | | | | | | | | |
| 8. | | a. | Prepare a flexible budget for overheads on the basis of the following data. Ascertin the overhead rates at 50%, 60% and 70% capacity.  **At 60% capacity**   |  |  | | --- | --- | | **Variable overheads:** | **Rs.** | | Indirect material | 7000 | | Indirect labour | 20000 | | **Semi-variable overheads**: |  | | Electricity (40% fixed 60% variable) | 32000 | | Repairs (80% fixed 20% variable) | 3200 | | **Fixed overheads:** |  | | Depreciation | 15500 | | Insurance | 3500 | | Salaries | 12000 | | Total overheads | 93200 | | Estimated direct labour hours | 186000 | | | | CO5 | | 10 |
| b. | Define Budgetary Control. Explain the advantages of Budgetary Control. | | | CO5 | | 10 |
|  | | |  | | |  | |  |
| 9. | |  | **Compulsory**:  A second hand machine was purchased on 1.1.2000 for Rs.3, 00,000 and repair charges amounted to Rs.60, 000. It was installed at a cost of Rs.40,000.On 1st July 2001, another machine was purchased for Rs.2,60,000. On 1 st July 2002 the first machine was sold for Rs.3,00,000. On the sme day, one more machine was bought for Rs.25,000. On 31.12.2002, the machine bought on 1 st July 2001 was sold for Rs.2,30,000. Accounts are closed every year on 31st December. Depreciation is written off at 15% per annum. Prepare the Machinary A/C for 3 years ending 31.12.2002 | | | CO3 | | 20 |