



Date: 30-10-2018
Time: 01:00-04:00

Dept. No.

Max. : 100 Marks

Part - A

Answer All questions

(10x2= 20 Marks)

1. What is accounting?
2. Write a short note on 'Prime Cost'.
3. What is Cost of production?
4. State the meaning of final accounts
5. Explain the term 'Cash Budget'.
6. What is Net Profit?
7. List any two advantages of management accounting.
8. Calculate the Gross profit from the following figures:

	(Rs)
Sales	2,00,000
Purchases	1,20,000
Sales returns	20,000
Purchase returns	30,000
Opening Stock	40,000
Closing Stock	10,000

9. Opening stock Rs.29,000. Closing stock Rs.31,000; Purchases Rs. 2,42,000.

Calculate stock turnover ratio.

10. Calculate debtors turnover ratio and debt collection period:

	Rs.
Credit sales for the year	12,000
Debtors	1,000
Bills receivable	1,000

Part - B

Answer any **FOUR** questions.

(4x10= 40 Marks)

11. Discuss the advantages and limitations of financial accounting.
12. Explain the objectives of budgetary control.
13. Prepare a production budget for 3 months ending 31-12-2008 for a factory producing 5 products, on the basis of the following information.

Types of products	Opening stock(Units)	Budgeted sales (Units)	Closing stock (Units)
A	5,000	20,000	4,000
B	6,000	25,000	6,000
C	10,000	50,000	11,000
D	1,000	10,000	1,000
E	2,000	5,000	5,000

14. Journalize the following transactions.
 - a. Received from Ms.Rani Rs.10,000
 - b. Paid to Mr.Arul Rs.3,000
 - c. Received Rent Rs.200
 - d. Paid salary Rs.300
 - e. Commission received Rs.5,000

15. Vishal Ltd, presents the following results for one year.

Rs

Sales	2,00,000
Variable costs	1,20,000
Fixed cost	50,000
Net profit	30,000

Calculate:

- i) P/V ratio,
- ii) BEP and
- iii) Margin of safety

16. Prepare Trial Balance from the following

	Rs.
Capital	9,000
Machinery	12,000
Purchases	8,000
Sales	12,000
Creditors	8,000
Bank Loan	22,000
Rent outstanding	1,000
Opening stock	2,000
Sales return	4,000
Bills receivable	14,000
Debtors	12,000

17. The balance sheet of XYZ ltd as on 21.12.2017 is as follows.

Balance Sheet

liabilities	Rs.	Assets	Rs.
Equity capital	2,00,000	Goodwill	1,20,000
Reserve	40,000	Fixed assets	2,80,000
Loan	1,60,000	Stock	60,000
Profit & loss A/c	60,000	Debtors	60,000
Creditors	1,00,000	Bank	60,000
Provision for taxation	40,000	Advances	20,000
	6,00,000		6,00,000

Calculate (a) Debt equity ratio

(b) Fixed assets to current asset.

Part- C

Answer any TWO questions

(2 x 20 =40 Marks)

18. Describe the various concepts and conventions of accounting

19. Calculate the following ratios:

- (a) Gross profit ratio
- (b) Operating ratio
- (c) Stock turnover ratio
- (d) E.P.S

P & L Account

Particulars	Rs.	Particulars	Rs.
To Opening stock	20,000	Goodwill	1,20,000
Reserve	40,000	Fixed assets	2,80,000
Loan	1,60,000	Stock	60,000
Profit & loss A/c	60,000	Debtors	60,000
Creditors	1,00,000	Bank	60,000
Provision for taxation	40,000	Advances	20,000
	6,00,000		6,00,000

Calculate (a) Debt equity ratio

(b) Fixed assets to current asset.

20. From the following trial balance of XYZ as on 31st December 2015. Prepare the Trading and P&L A/c and balance sheet taking into account the adjustment

Particular	Debit Rs	Credit Rs
Sundry debtors	2,500	-
Purchase	15,000	-
Insurance	300	-
Bank balance	4,500	-
Rent	1,500	-
Salaries	2,000	-
Stock (1.1.2015)	5,200	-
Drawings	5,000	-
Machinery	28,000	-
Cash	2,000	
Capital	-	40,000
Sales	-	25,000
Sundry creditors	-	1,000
Total	66,000	66,000

Adjustment

1. Stock on 31-12-2015 was Rs. 4,900
2. Salaries unpaid Rs.300.
3. Rent paid in advance Rs.200
4. Insurance prepaid Rs.90

21. Sales turnover and profit during two years were as follows:

Year	Sales Rs	Profit Rs.
2015	1,40,000	15,000
2016	1,60,000	20,000

Calculate:

- (a) Profit Volume Ratio
- (b) Break-event point
- (c) Sales required to earn a profit of Rs.40,000
- (d) Fixed expenses and
- (e) Profit when sales are Rs.1,20,000

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