

Prepare statement of profit and loss for the year ending 31st March 2016, and a balance sheet after considering the following adjustments as per Ind AS - 1:

- Stock on 31/3/2016 was Rs. 88000
- Provide tax provision @ 35%
- Depreciate plant and machinery by 10%, furniture by 15% and patents at 5%
- Outstanding rent amounted to Rs. 800 and outstanding salaries Rs. 900
- Provide Rs. 510 for doubtful debts
- Directors recommend payment of dividend @ 15%.

31. From the following information, prepare a cash flow statement under Indirect Method.

Liability	31/12/2015	31/12/2016
Equity share capital	3,00,000	4,00,000
Profit and loss a/c	80,000	1,00,000
General reserve	1,00,000	1,60,000
10% debentures	3,00,000	4,00,000
Bills payable	60,000	80,000
Outstanding expenses	10,000	5,000
Bank loan	1,00,000	20,000
	9,50,000	11,65,000

Assets	31/12/2015	31/12/2016
Fixed assets	5,00,000	5,70,000
investments	3,00,000	4,00,000
Bills receivable	30,000	40,000
Stock in trade	10,000	6,000
Goodwill	1,00,000	70,000
Cash at bank	2,000	9,000
Cash in hand	8,000	70,000
	9,50,000	11,65,000

- Depreciation provided on fixed assets during the year is Rs. 50,000
- Dividend paid during the year is Rs. 40,000

(2 x 15 = 30 Marks)

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(Pages: 4)

Name:

Reg. No.....

SECOND SEMESTER B.Com. (PROFESSIONAL) DEGREE EXAMINATION, APRIL 2020

(Regular/Supplementary/Improvement)

(CUCBCSS-UG)

CC17U BCP2 B04 - FINANCIAL ACCOUNTING

(Core Course)

(2017 Admission onwards)

Time : Three Hours

Maximum : 80 Marks

PART A

Answer *all* questions. Each question carries 1 mark.

- Accounting standard for Property Plant and Equipment
 - Ind AS 16
 - Ind AS 46
 - Ind AS 2
 - Ind AS 38
- Receipts and payments account is:
 - Real
 - Nominal
 - Personal
 - Representative Personal
- In single entry system it is not possible to prepare
 - Receipts and payments a/c
 - Trial balance
 - Balance sheet
 - Account sales
- Assets in the balance sheet of A Ltd company are arranged in the order of
 - Permanence
 - Liquidity
 - None of these
 - Both of performance and liquidity
- Premium on issue of shares can be used for
 - Issue of bonus shares
 - Distribution of profit
 - Transferring to general reserve
 - Declaration of dividend

Fill in the blanks:

- Dividend declared between two annual general meeting is known as _____.
- A commission of 10% of net profits after charging such commission will be calculated _____.
- Donation received for a specific purpose is _____.
- Amortization relates to cost allocation for _____ assets.
- Share forfeited account is shown on the liability side of the balance sheet under the head _____.

(10 x 1 = 10 Marks)

PART B (Short Answer Questions)

Answer any *eight* questions. Each question carries 2 marks.

- What is IFRS?
- Define contingent assets?
- What is legacy? how it is treated in accounts?
- What are the types of single entry system?
- State the meaning of reserve capital

(1)

Turn Over

- 16. What is interim dividend?
- 17. Give the meaning of forfeiture
- 18. What is meant by cash flow statement?
- 19. What is equity share?
- 20. Explain written down value method of depreciation

(8 x 2 = 16 Marks)

PART C (Short Essay Questions)

Answer any *six* questions. Each question carries 4 marks.

- 21. Explain the benefits of accounting standards
- 22. Explain the attributes of financial statements?
- 23. Distinguish between revenue expenditure and capital expenditure
- 24. What are the types of preference shares?
- 25. Following is the statement of affairs of Mr. Das as on 31 December 2015 who kept his books on the single entry system.

Statement of Affairs as on 31/12/2015

Liabilities	Amount	Assets	Amount
Creditors	16,000	Fixtures	8,000
Capital	1,25,500	Stock	56,000
		Debtors	71,200
		Cash at bank	6,300
	1,41,500		1,41,500

His capital on 31/12/2014 was Rs. 85,920. He transferred to his personal account from the bank account of the firm Rs. 1000 every month during the year and took for private use stock worth Rs. 600. He sold his house for Rs. 20,000 during the year and introduced the proceeds into the business. Depreciation on fixtures at 5% and provision for doubtful debts at 2.5% is to be provided.

Prepare the statement of profit of Mr. Das and redraft the statement of affairs on 31 December 2015.

- 26. AB Ltd forfeited 300 equity shares of Rs. 20 each, issued at a discount of Rs. 2 per share, for non payment of final call of Rs. 6 per share. Subsequently 100 of these shares were re issued as fully paid at Rs. 15 per share. Show the journal entries relating to the forfeiture and reissue.
- 27. A company, whose accounting year is the calendar year, purchased on 1st April 2014 a machinery costing Rs. 60,000. It purchased further machinery on 1st October 2014 costing Rs. 40,000 and 1st July 2015 costing Rs. 80,000. On 1st January 2016 one third of the machinery installed on 1st April 2014 become obsolete and was sold for Rs. 6,000. Depreciation to be provided 10 % p.a on fixed instalment method. Show machinery account for the first three years.
- 28. ABC Ltd took over assets Rs. 3, 80,000 and liabilities amounted to Rs. 30,000 of XY Ltd. for the purchase consideration of Rs. 3, 33,000. The company issued debenture at 10% discount in full satisfaction of the purchase price. Show necessary journal entries in the books of ABC Ltd.

(6 x 4 = 24 Marks)

PART D (Essay Questions)

Answer any *two* questions. Each question carries 15 marks.

- 29. From the following particulars relating to Vivekananda charitable hospital, prepare income and expenditure account for the year ended 31st December 2015 and a balance sheet as on that date.

Receipts and Payments Account

Receipts	Amount	Payments	Amount
Cash in hand	7,130	Medicines	30,590
Subscription	47,996	Doctor's honorarium	9,000
Donation	14,500	Salaries	27,500
Interest on investment @ 7% for full year	7,000	Petty expenses	461
Proceed from charity show	10,450	Equipment	15,000
		Expenses on charity show	750
		Cash in hand closing	3,775
	87,076		87,076

Additional information:

	1 st Jan. 2015	31 st Dec. 2015
Subscription due	480	560
Subscription received in advance	128	200
Stock of medicines	8,810	9,740
Estimated value of equipment	21,200	31,600
Building (cost less depreciation)	40,000	38,000
Creditors for medicines	10,000	8,000

- 30. Following is the trial balance of Sony Ltd as on 31st March 2016

Debit balances	Amount	Credit balances	Amount
Stock on 1/4/15	75,000	Purchase return	10,000
Purchases	2,45,000	Sales	3,40,000
Wages	30,000	Discount received	4,000
Carriage	1,950	Surplus	15,000
Furniture	17,000	Share capital	1,00,000
Salaries	7,500	Creditors	17,500
Rent	4,000	General reserve	15,500
Sundry trade expenses	16,950	Bills payable	7,000
Debtors	27,500		
Plant	29,000		
Cash at bank	45,300		
Patent	4,800		
Bills receivable	5,000		
	5,09,000		5,09,000