

24U251

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Name :

Reg. No :

SECOND SEMESTER UG DEGREE EXAMINATION, APRIL 2025

(FYUGP)

CC24UCOM2CJ101 - FINANCIAL ACCOUNTING

(B.Com. - Major Course)

(2024 Admission - Regular)

Time: 2.0 Hours

Maximum: 70 Marks

Credit: 4

Part A (Short answer questions)

Answer *all* questions. Each question carries 3 marks.

1. What is single entry system of accounting? Mention any four features of single entry system of accounting. [Level:2] [CO1]
2. Give any three differences between single entry and double entry system of accounting. [Level:4] [CO1]
3. Ascertain the cost of material used: [Level:3] [CO1]

| | |
|---------------|------------|
| Opening Stock | Rs. 40,000 |
| Purchases | Rs. 60,000 |
| Closing stock | Rs. 20,000 |
4. Explain the treatment of goods in transit in independent branch accounting. [Level:2] [CO2]
5. What is the debtors system of accounting, and when is it used? [Level:2] [CO2]
6. Which are the final accounts of non- profit organisations? [Level:2] [CO3]
7. Bring out any three differences between Income & Expenditure Account and Profit & Loss Account. [Level:4] [CO3]
8. Explain the accounting treatment of sports materials purchased by a non- profit organisation. [Level:2] [CO3]
9. What is Statement of Financial position? [Level:2] [CO4]
10. What are current assets? Give two examples. [Level:2] [CO4]

(Ceiling: 24 Marks)

Part B (Paragraph questions/Problem)

Answer *all* questions. Each question carries 6 marks.

11. State any six disadvantages of single entry system of accounting. [Level:2] [CO1]

12. Mr. X commenced business on 1st January, 2019 with a capital of Rs. 10,000. During the year he introduced a further capital of Rs. 1,500. His drawings were Rs. 300 p.m. On 31st December, 2019 his position was as follows: [Level:3] [CO1]

| | |
|------------------------|----------|
| Cash in hand | Rs. 200 |
| Cash at bank | Rs. 2600 |
| Sundry creditors | Rs. 650 |
| Bank overdraft | Rs. 5225 |
| Sundry debtors | Rs. 4800 |
| Stock | Rs. 6800 |
| Bills Receivable | Rs. 1600 |
| Furniture and fixtures | Rs. 1800 |

Ascertain his profit or loss made during the year.

13. M/s. Maharaj Bros. invoice goods to their various Branches at cost. Form the following details regarding South Coast branch, prepare Branch Account to calculate profit: [Level:3] [CO2]

| | ₹ | | ₹ |
|---------------------------------------|-------|-----------------------------------|-------|
| Debtors on 31st December, 2023 | 2000 | Stock on 1st January, 2024 | 2,000 |
| Goods sent to branch | 7,000 | Stock on 31st December 2024 | 1,600 |
| Goods returned by branch | 800 | Bad debts | 70 |
| Goods returned by customers to branch | 150 | Expenses paid by the Head Office: | |
| Cash Sale | 6,220 | Rent | 1300 |
| Credit Sales | 7,000 | Insurance | 1,800 |
| Collection from Debtors | 4,780 | Salaries and wages | 2,800 |

14. Single entry system of accounting is unscientific. Explain. [Level:2] [CO2]

15. From the following particulars taken from the cash book of a Club, prepare Receipts and Payment account. [Level:3] [CO3]

Opening balance:

| | |
|--------------|-----|
| Cash in hand | 100 |
| Cash at bank | 500 |

Receipts:

| | |
|---------------|-------|
| Subscriptions | 3,300 |
| Donations | 260 |

Payments:

| | |
|----------------------|-------|
| Investment purchased | 1,000 |
| Rent paid | 400 |
| Postage & stationery | 70 |
| Sundry expenses | 30 |
| Closing cash balance | 20 |

16. Explain the features of Income and Expenditure Account. [Level:2] [CO3]

17. Prepare a Statement of Financial Position of Humour Ltd. as on 31st March, 2019:

[Level:3] [CO4]

| | Rs. |
|-------------------------------------|-----------|
| Trade receivable | 4,70,000 |
| Share capital | 30,00,000 |
| Cash and cash equivalents | 14,00,000 |
| Property, plant and equipment | 52,00,000 |
| Goodwill | 3,00,000 |
| Retained earnings | 20,00,000 |
| Deferred tax assets | 2,00,000 |
| Other current assets | 15,70,000 |
| Deferred tax liabilities | 3,20,000 |
| Bank overdrafts | 2,20,000 |
| Bank loans | 15,00,000 |
| Trade payables | 10,60,000 |
| Environmental restoration provision | 1,70,000 |
| Short term provisions | 3,00,000 |
| Current tax payable | 5,70,000 |

18. Explain: (a) Debtors system of accounting (b) Stock and debtors system of accounting

[Level:2] [CO2]

(Ceiling: 36 Marks)

Part C (Essay questions)

Answer any **one** question. The question carries 10 marks.

19. The Travancore association submits to you its Receipts and Payments Account for the year ending 31.12.2024. You are required to prepare income and expenditure account for the year ended 31st December, 2024 and to draw up a balance sheet as on that date.

[Level:3] [CO3]

| Receipts | Amount | Payments | Amount |
|-----------------------------|--------|--------------------------|--------|
| Opening balance: | | Establishments (Includes | |
| Cash in hand | 250 | Rs.400 for 2025) | 6,000 |
| Cash at bank | 20,550 | Telephone charges | 540 |
| Subscription | | Electricity charges | 250 |
| (including Rs.750 For 2025) | 21,250 | Stamp and stationery | 600 |
| Hall rent | 1,250 | Travelling | 150 |
| Interest on securities | 1,000 | Meeting Expenses | 500 |
| Donation | 10,000 | Rent | 5,400 |
| Telephone Receipts | 50 | Stationery | 5000 |
| | | Carpenter expense | 3,000 |
| | | Closing balance: | |
| | | Cash in hand | 310 |
| | | Balance at bank | 32,600 |
| | 54,350 | | 54,350 |

Additional Information:

- (a) The association holds investments amounting to Rs. 40,000 on 1.1.2024.
- (b) The carpenter expense outstanding stood at Rs. 4000 on 1.1.2024.
- (c) Half of the donation received is to be transferred to capital fund.
- (d) Rent Rs. 300 is still payable

20. From the undermentioned Trial Balance of Goodluck Ltd. Prepare a Statement of Profit & Loss for the year ended 31st December 2024 and the Balance Sheet as at that date:

[Level:3] [CO4]

| | Dr (Rs.) | | Cr (Rs.) |
|------------------------|----------|-------------------------------|----------|
| Opening Stock | 30,000 | Equity Share Capital | 1,00,000 |
| Rent and Taxes | 6,000 | (100 shares of Rs.100.00 each | |
| Purchases | 60,900 | 5% Debentures | 25,000 |
| Wages | 55,200 | Sales | 1,75,000 |
| Discount | 2,000 | Sundry Creditors | 8,000 |
| Fuel | 2,500 | Bank Overdraft | 12,000 |
| Building | 70,000 | | |
| Sundry Debtors | 20,000 | | |
| Goodwill | 28,000 | | |
| Plant & Machinery | 25,000 | | |
| Loose Tools | 6,000 | | |
| Advertisement | 3,000 | | |
| General Expenses | 4,400 | | |
| Miscellaneous Expenses | 3,000 | | |
| Insurance | 1,000 | | |
| Cash and Bank | 3,000 | | |
| | 3,20,000 | | 3,20,000 |

- (a) Stock on 31-12-2024 was Rs. 35,000
- (b) Depreciate Plant & Machinery by 9% and revalue Loose Tools at Rs. 4,100.
- (c) Final dividend at 10% was proposed by the Board of Directors.

(1 × 10 = 10 Marks)
