

31. From the following trial balance of Mr. Anirudh as on March 31st March 2017, prepare Profit and Loss as on that date.

	Debit	Credit
Capital		1,00,000
Sales		80,000
Purchases	50,000	
Opening stock	17,000	
Land and building	30,000	
Goodwill	4,000	
Wages and salaries	5,000	
Machinery	33,000	
Royalties	1,500	
Sundry expenses	13,000	
Bad debts	5,000	
Debtors	25,000	
Cash	3,000	
Provision for bad debts		1,000
Creditors		15,000
Bad debts recovered		500
Bills payable		10,000
Furniture	20,000	
	2,06,500	2,06,500

Adjustments:

- 1) Write off Rs.1,500 as bad debts
- 2) Provide 6% depreciation on Machinery.
- 3) Write off Rs.500 as bad debts.
- 4) Closing stock amounts to Rs.9250

(2 x 15 = 30 Marks)

(4)

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Name.....

Reg. No.....

SECOND SEMESTER B.Com (PROFESSIONAL) DEGREE EXAMINATION, APRIL 2019

(Regular/Improvement/Supplementary)

(CUCBCSS-UG)

CC17U BCP2 B04 - FINANCIAL ACCOUNTING

B.Com. Professional - Core Course

(2017 Admission onwards)

Time : Three Hours

Maximum : 80 Marks

PART A

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

(A) Choose the correct answer:

1. In double entry system:
 - a) only one aspect of the transaction is recorded
 - b) no aspect is recorded
 - c) both aspects of the transaction is recorded
 - d) none of these
2. 'Calls in advance' is shown under
 - a) share capital
 - b) reserve and surplus
 - c) current liabilities
 - d) loans and advances
3. The primary IFRS related to intangible assets and impairments is found in
 - a) IAS 1 and IAS 34
 - b) IAS 38 and IAS 36.
 - c) IAS 38 and IAS 10.
 - d) IAS 16 and IAS 36
4. Which of the following describes a record of the transactions?
 - a) General ledger
 - b) Income statement
 - c) Balance sheet
 - d) Journal
5. The Four principal qualitative characteristics of useful financial statements are
 - a) understandability, relevance, reliability, comparability
 - b) timeliness, relevance, reliability, comparability
 - c) understandability, relevance, accuracy, comparability
 - d) understandability, relevance, reliability, simplicity

(B) Fill in the blanks:

6. Revenue of entity shall be measured at _____.
7. International accounting standards-7 relates to the preparation of _____.

(1)

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8. GAAP stands for _____.
9. AS 26 deals with _____.
10. Accounting standards are mandatory for _____.

(10 x 1 = 10 Marks)

PART B

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

11. What is IASB?
12. What do you mean by contingent liability?
13. What is revenue expenditure?
14. What is sweat equity shares?
15. What is unexpired liability?
16. What do you mean by depletion?
17. What is LIFO?
18. What do you mean by surrender of shares?
19. What is pro-rata allotment?
20. What is securities premium reserve?

(8 x 2 = 16 Marks)

PART C

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

21. What are the various methods used for the valuation of intangible assets?
22. What are the difference between statement of affairs and balance sheet?
23. Explain the limitations of single entry.
24. What are the features of Ind AS 1?
25. In 2014 the subscriptions received was Rs. 50000. These subscriptions include Rs. 300 for 2013 and Rs. 400 for 2015. On 31st December 2014, subscriptions due but not received was Rs. 500. The corresponding figure on 1st January 2014 was Rs. 600. What amounts should be credited to the Income and expenditure account as subscriptions for the year 2014?
26. Sugama Marbles Ltd purchased a machinery on September 1, 2015 for Rs.70, 000. Another machinery purchased on 1st February 2016 for Rs. 55000. Another machinery purchased on September 30, 2017 and the machinery purchased on September 2015 were sold for Rs. 30,000. Depreciation is charging @ 15 % every year on March 31. Prepare Machinery account.

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27. R & J Ltd. Company issued 10,000 equity shares of Rs.100 Each. Rs. 50 on application, Rs.40 on allotment (including premium) and the balance Rs.20 on first and Final call.

The applications were received for 9000 shares. All the application and allotment money were received except the first and final call on 500 shares. Pass necessary journal entries.

28. Prepare receipts and payments account of football club.

Subscription collected	-	23000
Salary paid	-	5500
Cash in hand (opening)	-	1500
Cash at bank (opening)	-	5600
Entertainment expenses	-	6000
Cash in hand (closing)	-	2300
Books purchased	-	4000
Sports materials	-	3500
Sundry expenses	-	2000

(6 x 4 = 24 Marks)

PART D

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

29. What are financial statements? Explain the importance and uses of financial statements.
30. Poonam Co. Ltd. offered to public for subscription 1,00,000 14% preference shares of Rs 100 each at a premium of Rs 10 per share.

Payment was to be made as follows.

On application Rs 30

On allotment Rs 40 (including premium)

On first and final call Rs 40

Applications were received for all the shares offered and allotment was duly made. All moneys were duly received except the money on call on 100 shares which were forfeited after the requisite notices had been served. Later, all the forfeited shares were reissued as fully paid up @ Rs 95 per share. Journalise all the above mentioned transactions including cash transactions.

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