25U257S (Pages: 3) Name: ……………………….

Reg. No: …………………….

SECOND SEMESTER B.Com. PROFESSIONAL DEGREE EXAMINATION, APRIL 2026

(CUCBCSS-UG)

CC17UBCP2B04 – FINANCIAL ACCOUNTING

(B.Com. Professional – Core Course)

(2017 to 2023 Admissions – Supplementary)

Time: Three Hours Maximum: 80 Marks

Part A

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

Choose the correct answer:

1. Accounting standards for Impairment of Assets is given in:

   a) Ind AS 36 b) Ind AS 46 c) Ind AS 19 d) Ind AS 28

2. Assets in the balance sheet of A Ltd company are arranged in the order of

   a) Permanence b) Liquidity

   c) None of these d) Both of performance and liquidity

3. ‘Calls in advance’ is shown under

   a) share capital b) reserve and surplus

   c) current liabilities d) loans and advances

4. 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

5. Which of the following describes a record of the transactions?

   a) General ledger b) Income statement c) Balance sheet d) Journal

Fill in the blanks:

6. GAAP stands for _________
7. The account prepared to find out credit sale is called _________
8. Debenture holders are _________ of a company.
9. Dividend is calculated on _________ capital.
10. Share application account is _________ account.

(10 × 1 = 10 Marks)

Part B (Short Answer Questions)

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

11. State the meaning of reserve capital.
12. What is the Statement of Changes in Equity?
13. State the objectives of financial statements.
14. What do you mean by minimum subscription?
15. What is pro-rata allotment?
16. What do you mean by surrender of shares?
17. What is a securities premium reserve?
18. What are sweat equity shares?
19. What do you mean by contingent liability?
20. What is meant by a cash flow statement?

(8 × 2 = 16 Marks)

PART C (Short Essay Questions)

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

21. What are the types of preference shares?
22. Distinguish between shares and debentures.
23. Explain the limitations of single entry.
24. Explain the attributes of financial statements?
25. Explain the benefits of accounting standards
26. A Manufacturing concern whose books are closed 31st March, purchased machinery for Rs. 1,50,000 on 1st April 2020. Additional machinery was acquired for Rs. 40,000 on 30th September 2021 and for Rs. 25,000 on 1st April, 2023. Certain machinery, which was purchased for Rs. 40,000 on 30th September 2021, was sold for Rs. 34,000 on 30th September 2023. Give the Machinery account for the year ending 31st March 2024 taking into account depreciation at 10% per annum on the written down value.
27. Prepare receipts and payments account of football club.

Subscription collected	-	23,000
Salary paid	-	5,500
Cash in hand (opening)	-	1,500
Cash at bank (opening)	-	5,600
Entertainment expenses	-	6,000
Cash in hand (closing)	-	2,300
Books purchased	-	4,000
Sports materials	-	3,500
Sundry expenses	-	2,000

28. R & J Ltd. The 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.

(6 × 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. What is depreciation? What are its objectives? State the methods for providing depreciation.
31. Poonam Co. Ltd. offered to the public for subscription 1,00,000 14% Equity 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 amount 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.

(2 × 15 = 30 Marks)

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