25U256 (Pages: 4) Name : ....

Reg. No : ....

SECOND SEMESTER UG DEGREE EXAMINATION, APRIL 2026

(FYUGP)

(Regular/Supplementary/Improvement)

CC24UCOP2CJ101 - FINANCIAL ACCOUNTING

(B.Com Professional - Major Course)

(2024 Admission onwards)

Time: 2.0 Hours Maximum: 70 Marks

Credit: 4

Part A (Short answer questions)

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

1. Why is the Single Entry System referred to as an "incomplete" system of accounting? [Level:2] [CO1]

2. Explain how the Statement of Affairs helps in determining profit or loss. [Level:2] [CO1]

3. Find out the cost of goods sold: [Level:2] [CO1]

Purchases	Rs. 140,000
Closing stock	Rs. 22,000
Opening stock	Rs. 20,000

4. Explain the treatment of unearned incomes in the financial statements of a company. [Level:2] [CO4]

5. What are financial statements? Which are the finnacial statements of a company as per Ind AS 1? [Level:2] [CO4]

6. Explain the accounting treatment of sports materials purchased by a non- profit organisation. [Level:2] [CO3]

7. What is Income and Expenditure Account? [Level:2] [CO3]

8. Give any three characteristics of non- profit organisations. [Level:2] [CO3]

9. What are the objectives of maintaining branch accounts in an organization? [Level:2] [CO2]

10. From the following transaction, prepare Branch A/c in the books of the Head office for the year 2024. [Level:2] [CO1, CO2]

Opening balance of Branch A/c (Dr.)	Rs. 30,000
Goods sent to branch during the year	Rs. 2,60,000
Goods returned by branch to H. O	Rs. 10,000

(Ceiling: 24 Marks)

Part B (Paragraph questions/Problem)

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

11. Explain the advantages and disadvantages of single entry system of accounting. [Level:2] [CO1]

12. 'A' commenced business on 1st January 2024, with a capital of Rs. 25,000. He immediately bought furniture for Rs. 6,000. During the year, he borrowed Rs. 15,000 from his wife and introduced further capital of his own amounting to Rs. 9,500. He had withdrawn 900 at the end of each month for family expenses. [Level:2] [CO1]

    On 31st December, 2024 his position was as follows:

    Cash in hand Rs. 600, cash at bank Rs. 7,800, sundry debtors Rs. 14,400, stock Rs. 20,400, bills receivable Rs. 4,800, sundry creditors Rs. 1,500, rent due Rs. 450. Furniture is to depreciated by 10%. Ascertain the profit or loss made by 'A' during 2024.

13. Explain the treatment of depreciation on branch fixed assets if a) the branch fixed asset a/c is maintained at Head Office b) the branch fixed asset a/c is maintained at branch. [Level:2] [CO3]

14. From the following particulars taken from the cash book of a Club, prepare Receipts and Payment account. [Level:2] [CO1, CO3]

Opening balance:	Rs.
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

15. State the advantages of Debtors system of accounting. [Level:2] [CO2]

16. Head office Account shows a credit balance of ₹ 1,88,000 in the books of the branch and Branch Account in the books of the head office has a debit balance of ₹ 2,16,000. Goods worth ₹ 12,000 sent by the head office two days before the close of the accounting year was received by the branch on the third day of the next accounting year. Pass adjusting entry for goods-in-transit and cash-in-transit in the books of the head office. [Level:2] [CO1, CO2]

17. Explain the components of the Statement of Changes in Equity. [Level:2] [CO4]

18. From the following trail balance of Blue Moon Limited, prepare balance sheet of the company as on 31/3/2025: [Level:2] [CO1, CO4]

Debit	Rs.	Credit	Rs.
Cash at Bank	1,50,000	Equity Share Capital	2,50,000
Non Current Assets	1,00,000	Preference Capital	2,50,000
Non Current Investments	50,000	Reserves and Surplus	50,000
Land and Building	4,00,000	Non Current Liabilities	4,00,000
Furniture	1,00,000	Current Liabilities	1,00,000
Office Equipment	50,000	Staff Provident Fund	1,00,000
Goodwill	1,00,000	Deposits from Public	1,00,000
Stock	2,00,000		
Trade Receivables	1,00,000		
Total	12,50,000		12,50,000

(Ceiling: 36 Marks)

Part C (Essay questions)

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

19. Arunodaya Agencies opened a branch in Bangalore on 1st January 2024. Goods were invoiced at the selling price which was at cost plus 25%. From the following particulars relating to the year 2024, you are required to prepare different accounts under the "stock and debtors' system": [Level:2] [CO2]

		Rs.
Goods sent to Branch		3,00,000
Sales:	Cash	1,00,000
	Credit	1,40,000
Goods returned by Customer		3,000
Cash received from Customer		80,000
Discount allowed		1,000
Cash remitted to branch for: Rent		1,500
	Branch Salaries	6,000
	Sundry Expenses	1,000
Defective goods written off		1,000
Goods returned by branch		12,000
Stock at end		50,000

20. Following are the opening balance sheet and R/P A/C of Goa sports club, Goa: [Level:2] [CO3]

Balance sheet as on 01.01.2024

Liabilities	Amount	Assets	Amount
Outstanding Rent	1,800	Cash balance	8,550
Capital fund	61,350	Bank balance	10,000
		Outstanding subscription	800
		Sports materials	35,000
		Furniture	8,800
	63,150		**63,150**

Receipt and Payment Account for the year ended 31.12.2024

Receipts	Amount	Payments	Amount
Cash balance	8,550	Rent & Taxes	8,900
Bank balances	10,000	Salary	10,500
Admission fees	5,450	Legal charges	850
Donations	13,500	General expenses	1,750
Subscriptions	23,000	Sports materials	6,000
Interest	530	Office expenses	4,300
Sports fees	1,200	Investments	15,000
		Cash balance	6,930
		Bank balance	8,000
	62,230		**62,230**

Adjustments:

1. Outstanding subscriptions Rs. 1800.
2. Rent due Rs.900 and legal charges outstanding Rs. 150.
3. Write off depreciation Rs. 600 on furniture and Rs. 4,000 on sports materials.
4. Donations are to be capitalized.

Prepare Income & expenditure account and balance sheet as on 31.12.2024.

(1 × 10 = 10 Marks)

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