

31. From the following information, prepare :

1) Income & expenditure Account for 2008.

2) Balance Sheet as on 31.12.2008.

Balance Sheet of Lions Club, Bellary as on 31.12.2007

Liabilities	Rupees	Assets	Rupees
Capital Fund	150000	Building	135000
Outstanding Expenses	6000	Furniture	45000
Bank Loan	69000	Sports Material	30000
Subscription for 2008	15000	Cash	9000
		Outstanding Rent	6000
		Outstanding Subscription	15000
	240000		240000

Receipts and Payment A/c of Lions Club, Bellary for the year ending 31.12.2008

Receipts	Rupees	Payments	Rupees
Cash Balance as on 1.1.2008	9000	Office Expenses 2007	6000
Subscription: 2007	15000	2008	24000
2008	45000	Salary	36000
2009	6000	Subscription to Newspapers	9000
Entrance Fee	15000	Bank Loan paid	39000
Sale of old newspapers	3000	Sports Material	15000
Donations	12000	Cash balance as on 31.12.2008	6000
Rent	30000		
	135000		135000

Adjustments:

- Subscriptions o/s for current year Rs 9000
- Salary o/s Rs 3000
- Depreciate sports materials by Rs 6000
- Half of the donations & entire entrance fee are to be capitalized.
- Appreciate building by Rs 15000

(2 x 15 = 30 Marks)

(4)

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(Pages: 4)

Name:.....

Reg. No.....

SECOND SEMESTER B.Com (PROFESSIONAL) DEGREE EXAMINATION, APRIL 2018

(CUCBCSS-UG)

CC17U BCP2 B04 - FINANCIAL ACCOUNTING

(Core Course)

(Regular)

Time : Three Hours

Maximum : 80 Marks

PART A

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

(A) Choose the correct answer:

- Accounting standards refer to specific accounting :
 - Principles
 - application of principals
 - both
 - none of these
- Which of the following is a financial asset?
 - Inventories
 - Equipment
 - Loan to an associate
 - Accounts receivable
- Outstanding expenses are debited to:
 - Income a/c
 - expenses a/c
 - outstanding expenses a/c
 - accrued expenses account
- Debenture carrying charge on particular asset on the company is known as:
 - Fixed
 - mortgage
 - Naked
 - floating
- What is the amount of gross profit/loss when opening stock is Rs. 18,000, purchases Rs. 78,000, cost of good sold Rs. 1,06,000 and sales Rs. 1,49,000?
 - Rs. 44,000 profit
 - Rs. 42,000 profit
 - Rs. 43,000 profit
 - Rs. 43,000 loss

(B) Fill in the blanks:

- Financial accounting develops reports for external parties such as _____ and _____.
- Accounting standards 6 is on _____.
- _____ represents Ind AS 2.

(1)

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9. The statement which provides the information about cash and cash equivalents is called _____.
10. IAS-7 means _____.

(10 x 1 =10 Marks)

PART BAnswer any *eight* questions. Each question carries 2 marks.

11. What is IFRS?
12. What do you mean by oversubscription?
13. What is cash flow statement?
14. What are accrued liabilities?
15. What do you mean by statement of affairs?
16. What is ESOP?
17. What is amortization?
18. What do you meant by deferred revenue expenditure?
19. What is private placement?
20. What is pure single entry?

(8 x 2 = 16 Marks)

PART CAnswer any *six* questions. Each question carries 4 marks.

21. What are the limitations of financial statements?
22. What are the difference between surrender of shares and forfeiture of shares?
23. What are the essential qualities of financial statements?
24. Explain schedule III of companies Act 2013.
25. A lease is purchased on 1st April, 2007 for 5 years at a cost of Rs 1,00,000. It is proposed to depreciate the lease by annuity method charging 12 per cent interest. Show the Lease Account for five years and also the relevant entries in the Profit and Loss Account.
26. AB Ltd. purchased assets worth Rs. 6, 80,000 and took over liabilities of Rs. 80,000. It was agreed to pay the purchase price of Rs. 6,40,000 by issuing debentures valued Rs. 4,40,000 of Rs. 100 each at a premium of 10% and balance in cash. Journalise the transaction in the books of purchasing company.

(2)

27. In 2016, the subscriptions received were Rs 17,500 which includes Rs 400 for 2015 and Rs 600 for 2017. At the end of 2016 subscriptions outstanding were Rs 500. The subscriptions due but not received at the end of the previous year i.e., 2016 were Rs 600. What amount should be credited to Income and Expenditure Account as subscriptions?

28. Compute gross profit from the following data.

Stock as on 31/12/2016	-	2,00,000
Sales	-	6,50,000
Sales return	-	50,000
Purchase	-	5,00,000
Carriage inwards	-	7,500
Carriage outwards	-	7,000
Stock as on 31/12/2017	-	3,10,000
Freight	-	2500

(6 x 4 = 24 Marks)

PART DAnswer any *two* questions. Each question carries 15 marks.

29. What all are the benefits and challenges of IFRS convergence? Explain.
30. Omega Ltd. with an authorized capital of Rs 1,00,00,000 offered to public 5,00,000 equity shares of Rs 10 each payable as to Rs 3 with application, Rs 3 on allotment and the balance in two equal calls of Rs 2 each. The company got the applications for all the shares offered.

All the applications were accepted. One shareholder holding 800 shares did not pay the first call. After completing the legal formalities, the Board of Directors forfeited these shares. Consequently, the second call was made on 4,99,200 shares only which was duly received in full. Then, the Board of Directors reissued three-fourths of the forfeited shares as fully paid up @ Rs 9 per share.

Record the abovementioned transactions in the Cash Book, the Journal and the Ledger. Also, prepare the Balance Sheet as it would appear after all the above mentioned transactions have been recorded.

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