

27. Following are the ledger accounts balances of Surya Limited as on (31/12/2018)

Debit	Rs	Credit	Rs
Stock on (01-01—2018)	85,000	Purchase returns	10,000
Wages	1,12,000	Sales	8,28,000
Purchases	4,00,000	Discount received	10,000
Manufacturing Expenses	18,000	Depreciation Reserve	1,32,000
Machinery	4,60,000	Provision for doubtful debts	6,000
Salary	82,000	Sundry creditors	25,000
General Expenses	18,500	8% Debentures	2,00,000
Selling Expenses	36,500	Dividend from X Ltd	10,000
Land & Buildings	2,00,000	General reserve	30,000
Sundry debtors	60,000	Reserve Fund	10,000
Debentures Interest	8,000	Equity share Capital (30000 shares of Rs.10 each Rs.8 called up)	2,40,000
Investment (8000 shares of X Ltd)	1,00,000	P & L A/C (01-01-2018)	99,000
Bank	20,000		
Total	16, 00,000		16, 00,000

Prepare final account after considering the following

- Stock on 31-12-2018 is valued at Rs. 13000
- Depreciation received represent depreciation written off in the past on machinery Rs. 92000 & land and building Rs. 40000
- Write off depreciation on machinery Rs. 23000 and on land & buildings Rs. 10000 for the current year
- Provide for the doubtful debts at the rate 2% on debtors in addition to existing provision
- Provide for taxation at 30%
- General expenses include rent prepared Rs. 1000
- Directors proposed a dividend of 8% on equity share capital after transferring Rs 50000 to general reserve and Rs 10000 to reserve fund

(2 x 10 = 20 Marks)

(4)

19U219

(Pages: 4)

Name:

Reg. No.

SECOND SEMESTER B.Com. DEGREE EXAMINATION, APRIL 2020

(CBCSS - UG)

CC19U BCM2 B02 : FINANCIAL ACCOUNTING

(Commerce - Core Course)

(2019 Admission - Regular)

Time: 2.5 Hrs

Max. Marks: 80

Credit: 4

Section – A

Short Answer Questions. Each question carries 2 marks.

- What are the kinds of books that are usually maintained under single entry system?
- Give any two differences between Profit & Loss Account and Statement of Profit/Loss?
- What is reserve capital?
- What is meant by ESOP?
- A Ltd offered to public on 1st April 2019, 10,000 equity shares of Rs 10 each at Par payable along with application. Applications were received for all the shares by 30th April 2019 and the shares were allotted on 15th May 2019. Pass necessary journal entries in the books of the company.
- What is meant by issue of shares for consideration other than cash?
- X Ltd forfeited shares 20 of Rs 10 each 7 called up on which Midhun had paid application and allotment money of Rs 5 per share. Show journal entry for forfeiture.
- Distinguish between share and debenture.
- What is redemption of debentures?
- Write a note on ASB?
- Define Equity.
- What do you mean by recognition of a financial element?
- What is convergence?
- What constitute the financial statements of a joint stock company?
- What are contingent liabilities?

(Ceiling: 25 Marks)

Section – B

Paragraph Questions. Each question carries 5 marks.

- Explain the features of single entry system.

(1)

Turn Over

17. Find out the missing figures in the following two circumstances:

19U219

Opening Stock	Closing Stock	Sales	Carriage inward	Purchases	Gross Profit Ratio
50,000	70000	560000	10000	?	25%
60000	75000	?	15000	500000	20%

18. Good company Ltd invited applications for 1,00,000 shares of Rs 10 each payable, Rs 3 on application, Rs 3 on allotment and the balance as and when required. 1,20,000 shares were applied for by the public. Applications were accepted for 1,00,000 shares and remaining application were rejected. Allotment money was received on 99,500 shares. Pass necessary journal entries in the books of Good company Ltd.

19. Explain the provisions of issue of shares at a discount.

20. Distinguish between shares and debentures.

21. Vivek Ltd. took over assets worth Rs. 5,00,000 and liabilities of Rs.1,34,000 of Midhun Traders for the purchase consideration of Rs. 3,96,000. Vivek Ltd. paid the purchase consideration by issuing debentures of Rs.100 each. Give journal entries in the books of Vivek Ltd. assuming that debentures are issued

(a) at 10% premium (b) at 10% discount.

22. State the difference between IASC and IASB?

23. Explain the features of Ind AS?

(Ceiling: 35 Marks)

Section – C

Essay questions. Answer any *two* questions.

24. A trader keeps his books under single entry. During the year 2019, he kept a cash book of which the following is an analysis:

	Rs.
Received from Debtors	64,000
Additional capital introduced on 1.10.2019	8,000
Loan from Sam @16% on 7.2019	10,500
Paid to creditors	57,700
Withdrawal from bank	36,000
General expenses paid	3,900
Salaries paid	3,000
Drawings	4,000
Deposit made into the bank	50,000

(2)

Following balances existed on 1.1.2019:

Debtors	15,300
Creditors	11,500
Bank overdraft	8,000
Building	42,500
Stock	21,800
Cash	600

Following balances existed on 31.12.2019:

Debtors	16,000
Creditors	11,900
Stock	26,000

Depreciate building @5% and provide interest on Sam's loan. You are required to prepare Trading and Profit and Loss Account for the year ending 31st December, 2019 and a Balance Sheet as on that date.

25. Sargam Ltd. invited applications for issuing 80000 equity shares of Rs 100 each at a premium.

On application	–	Rs 20 per share
On allotment	–	Rs 60 (including premium) per share
On first and final call	–	Rs 40 per share

Applications for 1,20,000 shares were received. Allotment was made on pro rata basis to all the applicants. Excess money received on application was adjusted on sums due on allotment. Sheethal who had applied for 6000 shares, failed to pay the allotment money and Heera didn't pay first and final call on 800 shares allotted to her. The share of Sheethal and Heera were forfeited. 4200 of these shares were re-issued for Rs. 100 per share as fully paid up. The re-issued shares included all the forfeited shares of Heera Pass necessary journal entries for the above transactions in the books of Sargam Ltd.

26. Discuss the uses of financial statements to different stakeholders.

(3)

Turn Over