

20U219

(Pages: 3)

Name:

Reg. No:

SECOND SEMESTER B.Com. DEGREE EXAMINATION, APRIL 2021

(CBCSS - UG)

(Regular/Supplementary/Improvement)

CC19U BCM2 B02 - FINANCIAL ACCOUNTING

(Commerce – Core Course)

(2019 Admission onwards)

Time: 2.5 Hours

Maximum: 80 Marks

Credit: 4

Part A (Short answer questions)

Answer *all* questions. Each question carries 2 marks.

1. What is memorandum trading account?
2. How do you differentiate between Statement of Affairs from Balance Sheet?
3. Name the head under which the securities premium account will appear in the balance sheet.
4. What is annulment of forfeiture?
5. What is pro rata allotment?
6. What is call in advance?
7. What is oversubscription?
8. What is bearer debenture?
9. Distinguish between share and debenture.
10. What is redemption of debentures?
11. Define Liability.
12. What is convergence?
13. What are current liabilities?
14. What do you mean by financial statements of a joint stock company?
15. What are contingent liabilities?

(Ceiling: 25 Marks)

Part B (Paragraph questions)

Answer *all* questions. Each question carries 5 marks.

16. Explain the features of single-entry system.
17. Differentiate between single entry and double entry.
18. State the need of accounting standards?
19. Discuss the four pillars of Ind AS?

(1)

Turn Over

20. Mr. X keeps his books in Single entry System. He commenced business on 1st January, 2019 with a capital of Rs. 10,000. During the year he introduced a further capital of Rs. 1,500. His drawings were Rs. 300 p.m. On 31st December, 2019 his position was as follows: Cash in hand Rs. 200 Cash at bank Rs. 2600 Sundry creditors Rs. 650 Bank overdraft Rs. 5225 Sundry debtors Rs. 4800 Stock Rs. 6800 Bills Receivable Rs. 1600 Furniture and fixtures Rs. 1800 Ascertain his profit or loss made during the year.

21. Explain different categories on Phases of share capital.

22. Ascertain credit purchases from the following:

Opening creditors	Rs. 7,200
Cheque paid to creditors	Rs. 36,500
Cheques issued during the year	Rs. 24,000
Bills accepted during the year	Rs. 12,500
Goods returned to creditors	Rs. 3200
Discount allowed by creditors	Rs. 2500
Closing creditors	Rs. 8600

23. Give journal entries to record the following transaction of forfeiture and re-issue of shares in the books of the company Akhil Ltd forfeited 470 equity shares of Rs 10 each issued at a premium of Rs 5 per share for non-payment of allotment money of Rs 8 per share (including share premium Rs 5 per share) and the first and final call of Rs 5 per share. All the forfeited shares were subsequently re-issued at Rs 14 per share.

(Ceiling: 35 Marks)

Part C (Essay questions)

Answer any *two* questions. Each question carries 10 marks.

24. Ford Ltd issued for public subscription 50,000 equity shares of Rs.10 each at a premium of Rs.

2 per share payable as follows:

On application	Rs. 2 per share
On allotment	Rs. 5 per share (including premium)
On first call	Rs. 2 per share
On second and final call	Rs. 3 per share

Applications were received for 70,000 shares. Allotment was made pro rata to the applicants for 60,000 shares, the remaining applicants being refused. Money overpaid on application was applied towards some due on allotment. Pass necessary journal entries in the books of Ford Ltd.

25. The following are the ledger balances of Anu Ltd as on 31.03.2019. Prepare statement of financial position and statement of Profit and Loss as per Ind AS.

Credit Balances		Debit Balances	
	Rs		Rs
12% Debenture	30,00,000	Building	30,72,000
Equity share Capital (4,00,000 shares of Rs.10)	40,00,000	Plant	33,00,000
General Reserve	2,50,000	Goodwill	2,50,000
P&L a/c (1.4.2018)	2,62,500	Stock (1.4.2018)	7,50,000
Bad debt Provision (1.4.2018)	35,000	Sundry Debtors	8,70,000
Loan	4,10,000	Cash in Hand	4,06,500
Sundry Creditors	3,60,000	Cash at Bank	75,000
Sales	41,50,000	Interim Dividend	3,92,500
		Preliminary Expenses	50,000
		Purchases	18,50,000
		Wages	9,79,800
		Salary	2,70,600
		Bad debts	21,100
		Debenture Interest	1,80,000
	124,67,500		124,67,500

Additional Information

1. Stock on 31.3.2019 was Rs.9,50,000
2. Depreciation on plant 15%
3. Write off preliminary expenses Rs.5,000
4. Debenture Interest For 6 Months due
5. Provision for Doubtful debts to be maintained at 5%
6. Provision for Income Tax @ 50%

26. Vivek Co. Ltd. issued the following debentures. Pass the journal entries in the books of the company relating to the issue and redemption of debentures. (a) 12% debentures of Rs.250000 issued at par and redeemable at par (b) 12% debentures of Rs.250000 issued at a discount of 5% but redeemable at par. (c)12%debentures of Rs.250000 issued at a premium of 10% but redeemable at par.(d)12%debentures of Rs.250000issued at par but redeemable at a premium of 5%. (e)12% debentures of Rs.250000 issued at a discount of 5% and redeemable at 10% premium.

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

(2 × 10 = 20 Marks)
