

24U262

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Name :

Reg. No :

SECOND SEMESTER UG DEGREE EXAMINATION, APRIL 2025

(FYUGP)

CC24UCOP2MN103 - ACCOUNTING STANDARDS FOR FINANCIAL REPORTING

(B.Com. Professional - Minor Course)

(2024 Admission - Regular)

Time: 2.0 Hours

Maximum: 70 Marks

Credit: 4

Part A (Short answer questions)

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

1. Define financial reporting and explain the meaning. [Level:2] [CO1]
2. Mention the significance of accounting standards. [Level:2] [CO2]
3. State the features of IFRS. [Level:2] [CO3]
4. List down the users of financial statements. [Level:2] [CO1]
5. List down the advantages of financial reporting. [Level:2] [CO1]
6. Define the term 'income'. [Level:2] [CO4]
7. Discuss the need for the formation of NFRA. [Level:2] [CO2]
8. State any three differences between IFRS and Ind AS. [Level:2] [CO3]
9. Define the term 'income'/'revenue' as per IASB framework. [Level:2] [CO3]
10. Explain contract costs. [Level:2] [CO4]

(Ceiling: 24 Marks)

Part B (Paragraph questions/Problem)

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

11. Explain the principles of measurement of financial elements. [Level:2] [CO3]
12. Explain how to recognize PPE. [Level:2] [CO4]
13. Briefly explain the procedure for issuing Accounting Standards. [Level:2] [CO2]
14. Describe the meaning and disadvantages of financial statements. [Level:2] [CO1]
15. Discuss the scope of IFRS. [Level:2] [CO3]
16. Discuss the development of Accounting Standards in India. [Level:2] [CO2]

17. ABC Ltd. sold electronic gadgets with a list price of Rs5,000 to a customer under normal credit terms (30 days interest-free credit). The customer paid Rs. 3,500 in full settlement of the debt after 15 days. Rs. 300 of the amount received represents sales tax collected by ABC Ltd. on behalf of the government. The differences between the list price and the final settlement amount are as follows: Rs. 5,000 list price Less: Rs. 500 trade discount Less: Rs. 300 seasonal discount Less: Rs. 200 prompt payment discount Less: Rs. 200 bad debts Question: At what amount should ABC Ltd. recognize revenue from the sale of the gadgets? [Level:3] [CO4]

18. Interpret the meaning of IFRS, and explain the factors contributed to the development of IFRS. [Level:2] [CO3]

(Ceiling: 36 Marks)

Part C (Essay questions)

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

19. Discuss the benefits of IFRS convergence or adoption. [Level:2] [CO2]

20. An entity has purchased a new printing machine for their industrial printing operation. The machine has been imported from Germany and will be installed in the existing factory following the dismantling and removal of old press, which is now obsolete due to advance in technology. Determine the amount to be recognised initially as a cost of asset from the following? a. Invoice Price b. Consultation fee for choosing the new asset 50,000 c. Import duty paid d. Shipping cost and cost of road transport 3,50,000 e. Insurance for shipping 75,000 f. A portion of operating cost of the purchase department g. Cost of training the operators in the new machine 25,000 h. Electrician fee for connecting the machine to power supply i. Professional fee charged by consulting engineer for overseeing the installation 50,000 j. Cost of installing sound proofing roof to protect workers in the other part of the factory building 2,50,000 [Level:3] [CO4]

(1 × 10 = 10 Marks)
