

QP Code: D 122560	Total Pages: 6	Name:
		Register No.
SECOND SEMESTER (CUFYUGP) DEGREE EXAMINATION, APRIL 2025		
B.COM / B.COM PROFESSIONAL		
COM2CJ101/COP2CJ101 - Financial Accounting		
2024 Admission onwards		
Maximum Time :2 Hours		Maximum Marks :70
Section A		
All Questions can be answered. Each Question carries 3 marks(Ceiling : 24 Marks)		
1	Discuss the advantages of maintaining accounts under the Single Entry System.	
2	State the objectives of maintaining branch accounting	
3	Discuss the main features of branch accounts.	
4	Differentiate between dependent and independent branches.	
5	What adjustments are required for Cash in Transit at the year-end?	
6	What are the steps involved in preparing a Receipts and Payments Account ?	
7	What are the key differences between a Balance Sheet and an Income and Expenditure Account?	
8	How do outstanding and prepaid expenses affect the Income and Expenditure Account?	
9	Explain the treatment of subscriptions while preparing an Income and Expenditure Account.	
10	How are retained earnings reported in the Statement of Changes in Equity (SOCE)?	
Section B		
All Questions can be answered. Each Question carries 6 marks(Ceiling : 36 Marks)		
11	Write the differences between Profit and loss account and Statement of Profit and Loss, under Single Entry system	
12	Write a note on Conversion method under Single Entry system	
13	Explain the importance and purpose of the Statement of Changes in Equity (SOCE).	
14	What are the features of the Statement of Profit and Loss (SOPL) ?	
15	From the following information, calculate the Income from subscriptions for the year ending December, 2000 and Show them in Income & Expenditure account of a Club	

	Receipts		Payments
	For The year ending Dec.31, 2000		
	To subscription ;		
	1999	5,000	
	2000	30,000	
	2001	6,000	41,000
	<i>Additional Information</i>		<i>Rs.</i>
	(i) Subscriptions outstanding on Dec. 31, 1999		6000
	(ii) Subscription outstanding on Dec. 31, 2000		5000
	(iii) Subscription Received in Advance on Dec. 31, 1999		6000
16	Prepare Income & Expenditure Account for the year ending 31-12-2000 from the following : Receipts and Payments Account for the year ended 31-12-2000		
	Receipts	Rs.	Payments
			Rs.
	To Balance b/d	2,100	By Printing and Stationary
	To Subscription		1,300
	1999 (estimated at Rs. 460)		By Advertisements
	2000	5,000	800
	2001	200	500 By Investment in Govt. Securities at
	To Donation for Building	5,500	5% On 1 st Nov. 2000 (Interest, payable
	To Sports Material		on 1st) May and 1st Nov.
	To Rent	1,300	8,000
	To Entrance Fees	300	By Building Construction
	To Match Fund	10,000	2,500
	To Locker Rent	350	200 By Match Expenses
	To Lecture Hall	200	900
			By Creditors for 1999 estimated
			at Rs. 750, in full settlement
			650
			By Salaries
			1,750
			By Sports Materials
			3,000
			By Honorarium
			430
			By Electricity
			275
			By Balance c/d
			6,045
		25,650	25,650

Additional Information:		31-12-199	31-12-2000																																				
		Rs.	Rs.																																				
	Sports Material	430	750																																				
	Printing Materials (Dr.)	50	80																																				
	Creditors for Printing	80																																				
	Rent received in advance for 2001	100																																				
	Salary of treasurer outstanding	250																																				
	Surplus from House Account including Refreshment outstanding		150																																				
17	<p>The Vijayalakshmi Trading Company Ltd Bangalore has a branch at Mangalore. The head office pays all expenses except petty expenses which were met by the branch. All cash received by the branch was remitted to the head office daily. The following are the transactions between head office and branch during the year ending 31st December 2011</p> <table border="0" style="width: 100%;"> <thead> <tr> <th></th> <th style="text-align: right;">Rs</th> </tr> </thead> <tbody> <tr> <td>Stock at branch 1st January 2011</td> <td style="text-align: right;">7,000</td> </tr> <tr> <td>Branch debtors on 1st January 2011</td> <td style="text-align: right;">2,000</td> </tr> <tr> <td>Petty cash on 1st January 2011</td> <td style="text-align: right;">200</td> </tr> <tr> <td>Goods sent to branch during the year</td> <td style="text-align: right;">30,000</td> </tr> <tr> <td>Cash sales</td> <td style="text-align: right;">40,000</td> </tr> <tr> <td>Credit sales</td> <td style="text-align: right;">20,000</td> </tr> <tr> <td>Cash received from the debtors</td> <td style="text-align: right;">16,000</td> </tr> <tr> <td>Goods returned by the branch</td> <td style="text-align: right;">1,000</td> </tr> <tr> <td>Returns from customers</td> <td style="text-align: right;">1,500</td> </tr> <tr> <td>Cheque sent to branch for expenses:</td> <td></td> </tr> <tr> <td> Salary</td> <td style="text-align: right;">3,000</td> </tr> <tr> <td> Rent</td> <td style="text-align: right;">1000</td> </tr> <tr> <td> Petty cash</td> <td style="text-align: right;">500</td> </tr> <tr> <td></td> <td style="text-align: right;">4,500</td> </tr> <tr> <td>Stock at branch on 31st December 2011</td> <td style="text-align: right;">4,000</td> </tr> <tr> <td>Branch debtors on 31st December 2011</td> <td style="text-align: right;">4,500</td> </tr> <tr> <td>Petty cash at branch on 31st December 2011</td> <td style="text-align: right;">300</td> </tr> </tbody> </table> <p>Prepare the Mangalore Branch account in the Bangalore office books.</p>				Rs	Stock at branch 1 st January 2011	7,000	Branch debtors on 1 st January 2011	2,000	Petty cash on 1 st January 2011	200	Goods sent to branch during the year	30,000	Cash sales	40,000	Credit sales	20,000	Cash received from the debtors	16,000	Goods returned by the branch	1,000	Returns from customers	1,500	Cheque sent to branch for expenses:		Salary	3,000	Rent	1000	Petty cash	500		4,500	Stock at branch on 31 st December 2011	4,000	Branch debtors on 31 st December 2011	4,500	Petty cash at branch on 31 st December 2011	300
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18	<p>J. Sikidar keeps her books on single entry system. From the following particulars, prepare a statement showing profit or loss made by her for the year ended March 31, 2006.</p>																																						

	March 31, 2005 (Rs.)	March 31, 2006 (Rs.)
Debtors	16,000	19,000
Stock	12,000	15,000
Furniture	2,000	4,000
Cash in hand	1,000	1,500
Creditors	1,200	1,800
Bank overdraft	—	2,000

During the year Sikidar introduced Rs. 10,000 as further capital in the business and withdrew Rs. 6000

Section C

Answer any ONE .Each Question carries 10 marks(1x10=10 Marks)

19	The following balances are extracted from the books of Supreme Ltd., a real estate company, on 31st March, 2015:		
			(₹ '000)
		Dr.	Cr.
	Sales		13,800
	Purchases of materials	6,090	
	Share capital fully paid		500
	Land purchased in the year as stock	365	
	Leasehold premises	210	
	Creditors		2,315
	Debtors	3,675	
	Directors' salaries	195	

Wages	555	
Work in progress on 01.04.2014	1,050	
Sub-contractors' cost	4,470	
Equipment, Fixtures and Fittings at cost on 01.04.2014	1,320	
Stock on 01.04.2014	295	
Profit and Loss Account, Credit Balance on 01.04.2014		640
Secured Loan		560
Bank Overdraft		525
Interest on Loan and Overdraft	110	
Depreciation on Equipment on 01.04.2014		820
Administration Expenses	735	
Office Salaries	90	
	19,160	19,160

You also obtain the following information:

- (a) On 31st March, 2015, stock on hand including the land acquired during the year, is valued at Rs. 7,10,000. Work in progress at that date is valued at Rs. 7,00,000.
- (b) On 1st October, 2014 the company moved to new premises. The premises are on a 12 years lease and the lease premium paid amounted to Rs. 2,10,000. The company used sub-contract labour of Rs. 2,00,000 and materials at cost of Rs. 1,90,000 in the refurnishment of the premises. These are to be considered as part of the cost of leasehold premises.
- (c) A review of the debtors reveals specific doubtful debts of Rs. 1,75,000 and the directors wish to provide for these together with a general provision based on 2% of the balance.
- (d) Depreciation on equipment, fixtures and fittings is provided at 15% on the written down value.
- (e) Supreme Ltd. sued Shallow Ltd. for supplying defective materials which has been written off as valueless. The Directors are confident that Shallow Ltd. will agree for a settlement of Rs. 2,50,000.
- (f) The directors propose a dividend of 25%.
- (g) Rs. 1,00,000 is to be provided as audit fee.
- (h) The company will provide 10% of the pre-tax profit as bonus to employees in the accounts before charging the bonus.
- (i) Income tax to be provided at 50% of the profits.

You are required to prepare the company's financial statements for the year ended 31st March, 2015

20	Delhi Head Office supplies goods to its branch at Kanpur at Invoice Price which is cost plus 50%. All Cash received by the branch is remitted to Delhi and all branch expenses are paid by the head office. From the following particulars related to Kanpur branch for the year 2006 prepare : (i) Branch Account, and (ii) Branch Stock Account, Branch Debtors Account, Branch
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expenses A/c and Branch Adjustment account in the books of the head office so as to find out the gross profit and net profit made by the branch.

	Rs.
Stock with branch on 1.1.06 (at invoice price)	60,000
Branch Debtors on 1.1.06	12,000
Petty Cash balance on 1.1.06	10
Goods received from head office (at invoice price)	1,86,000
Goods returned to head office	3,000
Credit sales less returns	84,000
Allowances to customer at selling price (already adjusted while invoicing)	2,000
Cash received from Debtors	90,000
Discount allowed to Debtors	2,400
Expenses (Cash paid by head office):	
Rent	2,400
Salaries	24,000
Petty Cash	1,000
	<hr/>
Cash sales	1,04,000
Stock with Branch on 31.12.06 (at invoice price)	54,000
Petty Cash balance on 31.12.06	100