

C 21705

(Pages : 4)

Name.....

Reg. No.....

SECOND SEMESTER (CUCBCSS—UG) DEGREE EXAMINATION, APRIL 2022

B.Com.

BCM 2B 02—FINANCIAL ACCOUNTING

(2017—2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

Part I

Answer all questions.

Each question carries 1 mark.

1. _____ are set of accounting standards notified by the Ministry of Corporate affairs which are converged with International Financial Reporting Standards.
 - (a) International Accounting Standards.
 - (b) Indian Accounting Standard.
 - (c) Indian Auditing Standard.
 - (d) International Auditing Standards.
2. Issue of debentures can be for :
 - (a) For cash.
 - (b) For consideration other than cash.
 - (c) As collateral security.
 - (d) All of the above.
3. IFRS stands for :
 - (a) Indian Financial Reporting Standards.
 - (b) Indian Forensic Reporting Standards.
 - (c) International Financial Reporting Standard.
 - (d) International Financial data Recording Standard.
4. The securities Premium accounts must be shown as "Securities premium reserve" separately on the liability side of the balance sheet under the head :
 - (a) Current assets.
 - (b) Non-current assets.
 - (c) Reserves and Surplus.
 - (d) Current liabilities.

Turn over

270886

5. A fixed rate of dividend is paid on _____.
- (a) Equity shares. (b) Preference shares.
(c) Debentures. (d) Term loans.
6. The amount of depreciation charged on machinery will be debited to _____.
- (a) Depreciation a/c. (b) Machinery a/c.
(c) Provision for depreciation a/c. (d) None of these.
7. A valuation balance sheet is prepared by :
- (a) Joint stock company. (b) Banking company.
(c) Holding company. (d) Insurance company.
8. Rebate on bills discounted is :
- (a) An accrued income. (b) An item of income.
(c) Income received in advance. (d) Outstanding expense.
9. Closing capital + drawing - opening capital equals :
- (a) Profit or loss. (b) Current liabilities.
(c) Borrowings. (d) Fixed assets.
10. GAAP stands for :
- (a) Generally accepted accounting principles.
(b) Globally accepted accounting practice.
(c) Generally allowable accounting principles.
(d) Generally allowable accounting practices.

(10 × 1 = 10 marks)

Part II

*Answer any eight questions.
Each question carries 2 marks.*

11. What is NPA ?
12. Define accounting standards.
13. What is Annuity ?
14. Write a short note on Ind AS.
15. What is issue of shares at a premium ?
16. What is CRR ?
17. What Bonus in reduction of premium ?

18. What is depreciation ?
 19. What is statement of affairs ?
 20. What is statutory reserve ?

(8 × 2 = 16 marks)

Part III

*Answer any six questions.
 Each question carries 4 marks.*

21. Write a short on slip system of posting.
 22. What is IFRS convergence ? What are benefits of IFRS convergence ?
 23. What do you mean by accounts from incomplete record ? Explain its features.
 24. Define accounting standards. Explain its objectives.
 25. Calculate rebate of bills discounted as on 31-3-2021 from the following data :

Due Date of bill	Discount Rate	Amount
April 8	12%	3,75,000
May 5	14%	1,50,000
June 12	14%	2,20,000
July 15	15%	4,80,000

26. Star Insurance Company shows the following data regarding premiums on 31-3-2021 :

Direct premium received during the year	5,00,000
Premium out standing on 1-4-2020	50,000
Premium out standing on 31-3-2021	1,00,000
Re-insurance premium paid	20,000
Re-insurance premium received	40,000
Bonus in reduction of premium	15,000

Calculate amount of net premiums to be credited to Revenue account.

27. Ascertain profit of the business from the following particulars :

Capital as on 1-4-2021	:	4,00,000
Additional capital Introduced during the year	:	50,000
Drawings	:	20,000
Capital as on 31-3-2022	:	8,00,000

Turn over

28. From the following data ascertain total sales :

Balance of debtors on 1-1-2021	44,000
Sales returns	12,000
Cash received from customers	70,000
Discount allowed to them	5,000
B/R received	30,000
Bad debts	2,000
B/R dishonored	9,000
Balance of debtors as on 31-12-2021	30,000
Cash sales	70,000

(6 × 4 = 24 marks)

Part IV

Answer any **two** questions.
Each question carries 15 marks.

29. Explain the role of IASB in developing IFRS.

30. Prepare the fire revenue account as per IRDA regulations for the year ended 31-3-2021 :

Claims paid	4,90,000
Legal expenses regarding claims	10,000
Premium received	13,00,000
Re-insurance premium paid	1,00,000
Commission	3,00,000
Expenses of management	2,00,000
Provision against unexpired risk on 1-4-2020	5,50,000
Claims unpaid on 1-4-2020	50,000
Claims unpaid on 31-3-2021	80,000

31. From the following information prepare Profit and Loss account of Indian Bank Ltd. as on 31-3-2021 :

Interest on loan	25,90,000	Interest on current a/c	4,20,000
Interest on FD	27,50,000	Interest on SB a/cs	6,80,000
Commission	82,000	Postage and Telegram	14,000
Rebate on bills discounted	4,90,000	Printing	29,000
Establishment charge	5,40,000	Sundry expenses	17,000
Discount on bills discounted (net)	14,60,000	Rent and rates	1,80,000
Interest on cash credit	22,30,000	Directors fees	30,000
Interest on OD	15,40,000	Audit fees	12,000

Other information :

1. Provision for bad debts : 4,00,000.
2. Provision for income tax is to be made at 55%.

(2 × 15 = 30 marks)