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SECOND SEMESTER (CUFYUGP) DEGREE EXAMINATION, APRIL 2026

ACCOUNTING AND FINANCE / COMMERCE

COP2CJ101/COM2CJ101: 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	Define branch accounts.
2	What are provisions?
3	What is a 'statement of affairs'?
4	What is an independent branch?
5	What do you mean by endowment fund?
6	What is EPS?
7	What do you mean by unclaimed dividend?
8	What do you understand by debtors system in branch account?
9	What are contingent liabilities?
10	Give two merits of single entry system.

Section B

All Questions can be answered. Each Question carries 6 marks (Ceiling : 36 Marks)

11 Amal commenced business on 1st January 2025, with a capital of ₹50,000. He immediately bought furniture for ₹12,000. During the year, he borrowed ₹30,000 from his wife and introduced further capital of his own amounting to ₹19,000. He had withdrawn ₹1,800 at the end of each month for family expenses.

On 31st December 2025 his position was as follows:

Cash in hand ₹1,200, Cash at bank ₹15,600, Sundry debtors ₹28,800, Stock ₹40,800,Bills receivable ₹9,600, Sundry creditors ₹3,000, Rent due ₹900. Furniture is to be depreciated by 10%. Ascertain the profit or loss made by Amal during 2025.

12 Prepare Surplus/Deficit in Statement of Profit & Loss from the following data:

Particulars	₹
Balance carried forward from P&L A/c for the year ended 31st March 2024	80,000

	Profit for the year 2024-2025 before providing taxation	6,20,000	
	Provision for taxation	3,00,000	
	Dividend Equalisation Reserve	50,000	
	8% Preference Share Capital	4,00,000	
	Equity Share Capital (₹10 shares)	6,00,000	
	General Reserve transfer	70,000	
	Development Rebate Reserve transfer	70,000	

13 Write necessary journal entries in the books of Head Office for the following transactions (accounting year ends on 31st March):

(a) Goods sent by H.O on March 27 worth ₹4,000 to the Kannur Branch not received by the Branch till March 31.

(b) Mangalore Branch paid ₹5,000 for a machine purchased by the H.O for the latter.

(c) Provide depreciation at 10% on furniture. Mangalore Branch Furniture A/c is maintained in the H.O books. The cost of furniture is ₹20,000.

14 From the following information of Brother's club, prepare the Receipts and Payments Account for the year ending 31-03-2025.

Particulars	Amount (₹)
Cash in hand on 01-04-2024	1,000
Entrance fees received	1,000
Subscriptions received	75,000
Sale of old newspapers	500
Life membership fees	2,000
Printing and stationery	5,000
Electricity charges	400
Rent paid	9,000
Newspaper and periodicals	5,800
Furniture purchased	10,000

15 Explain the treatment of the following items in the Final Accounts of a non-trading concern
(i) Donations (ii) Life Membership Fees (iii) Entrance Fees

16 Differentiate between cashbook and receipts and payment account.

17 A Head Office in Madras has a branch in Delhi to which goods are invoiced by the Head Office at cost plus 25%. All cash received by the branch is daily remitted to Head Office. From the following particulars, show how the Branch Account will appear in the H.O books. Entries are to be made at Invoice Price.

Particulars	Amount (Rs.)
Stock on January 1, 2025 (at Invoice Price)	62,500
Debtors on 1-1-2025	60,000
Goods supplied by the H.O. (at Invoice Price)	2,00,000
Cash sales	80,000
Cash received from customers	1,47,500
Goods returned to the Head Office (at Invoice Price)	12,000
Cheques received from the H.O.: Wages & Salaries	55,000
Rent, Rates and Taxes	15,000
Sundry Expenses	2,550
Stock on 31-12-2025 (at Invoice Price)	75,000
Debtors on 31-12-2025	1,12,500
Liability for Petty Expenses	550

18 Briefly explain about the final accounts of a non-profit organization.

Section C

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

19 Trial Balance of Lucky Ltd. on 31-03-2025 is given, prepare Statement of Profit and Loss and Balance Sheet as on 31-03-2025

Debit Particulars	₹	Credit Particulars	₹
Stock (1-4-2024)	1,50,000	Sales	7,00,000
Purchases	4,90,000	Profit & Loss (31-03-24)	30,060
Wages	1,00,000	Share Capital	2,00,000

Furniture and Fittings	34,000	Sundry Creditors	35,000
Salaries	15,000	Reserve Fund	31,000
Rent	9,900	Discount Received	10,000
Sundry Expenses	14,100		
Dividend Paid	18,000		
Debtors	75,000		
Machinery	58,000		
Cash in Hand	20,400		
Cash at Bank	12,000		
Patents and Trade Mark	9,660		

Total: ₹10,06,060

Adjustments

Closing Stock 1,64,000

Depreciation on fixed assets 10%

Provision for Income Tax (50%)

20 What do you understand by single entry system? Explain the methods of calculating profit or loss under single entry system.