QP CODE: D2BCM2501	(Pages: 3)	Reg. No	:	....
		Name	:	....

SECOND SEMESTER FYUGP EXAMINATION, APRIL 2026

(Regular/Improvement/Supplementary)

Discipline Specific Core (DSC) Courses - Major

COM2CJ101 : Financial Accounting

(Credits: 4)

Time: 2 Hours	Maximum Marks: 70

Section A

Answer the following questions. Each carries 3 marks (Ceiling: 24 marks)

1.	Why might a small business choose to use a single-entry system instead of a double-entry system?	BL2	CO1
2.	If a business using the Single Entry System wants to prepare a balance sheet, what challenges might they face?	BL3	CO1, CO3, CO4
3.	Define Balance Sheet.	BL1	CO1
4.	Define Branch Accounts.	BL1	CO1
5.	List out different methods of maintaining accounts of dependant branch.	BL1	CO1
6.	A welfare organisation's salary expenses for the year amounted to ₹50,000, including ₹5,000 unpaid salaries from the previous year. What amount should appear in the Income and Expenditure Account for salaries?	BL3	CO1, CO2
7.	A sports club received ₹50,000 as subscription fees during the year, including ₹5,000 for the previous year and ₹3,000 received in advance for the next year. How will this be recorded in the Receipts and Payments Account?	BL3	CO1, CO2
8.	Explain the accounting treatment of life membership fees in a Not-for-Profit Organisation.	BL2	CO1
9.	What is revaluation reserve ?	BL2	CO1, CO2, CO3, CO4
10.	Explain cash and cash equivalents	BL1	CO1, CO2, CO3, CO4

Section B

Answer the following questions. Each carries 6 marks (Ceiling: 36 Marks)

11.	The capital of Ganesh Gupta at the beginning of the year was Rs. 70,000. During the year, his business earned a profit of Rs. 20,000, but he withdrew Rs. 7,000 for his personal use. He sold his wife's ornaments for Rs. 20,000, and invested that amount into the business. Find out his Capital at the end of the year.	BL3	CO1, CO2, CO3, CO4
12.	Mr. Joy commenced his business on 1st January 2024, with a capital of Rs. 24,000. On December 31st, 2024, his position was as follows: Cash at Bank Rs.4300; Cash in hand Rs. 1700; Stock Rs. 9000; Debtors Rs. 6,000; Machinery Rs.6500; Bills Receivable Rs. 3200; Creditors Rs. 1600. During the year, Mr. Joy introduced further capital of Rs. 2000, and his drawings were Rs. 800 per month. Prepare a statement showing Profit or Loss made by Mr. Joy during the year.	BL4	CO1, CO2, CO3, CO4
13.	How is stock and Debtors system different from Debtors system of maintaining accounts of dependant branch. **(PTO)**	BL4	CO1

14.	The closing stock (as at 31.12.2024) at Mumbai branch was 16,000. Depreciation was to be allowed @ 15% p.a. on Branch Plant and machinery of ₹25,000 and @ 20% p.a. on Branch Furniture and Fittings of ₹ 6,000. Outstanding rent in respect of the year 2023 amounted to 500. Mumbai Branch account, in the head office books, showed a debit balance of ₹46,000 and it was revealed that the difference in the balances shown by Head Office Account and Mumbai Branch Account was on account of cash-in-transit. You are to show Journal Entries required to incorporate the above Trial Balance and other particulars in the books of the head office and also the Mumbai Branch Account	BL3	CO3
15.	Calculate the amount of stationery to be debited to Income and Expenditure A/c for the year ended 31.03.2024.	BL4	CO1, CO2, CO3

	₹
Amount paid for stationery during the year (as per (Receipt and Payment A/c)	3500
Stock of stationery on 1.4.23	250
Paid advance for stationery on 31.3.24	600
Paid advance for stationery on 1.4.23	500
Creditors for stationery on 1.4.23	1000
Stock of stationery on 31.3.24	800
Creditors for stationery on 31.3.24	650

16.	List and explain the main features of a Receipts and Payments Account.	BL1	CO1
17.	Imagine you're a financial advisor on a mission to uncover the true financial health of a business. What key steps would you take to assemble the pieces of a balance sheet puzzle, ensuring all assets, liabilities, and equity are perfectly balanced? Expalin the process of preparing this critical snapshot, and highlight the instructions you would follow to make sure every number adds up.	BL2	CO1, CO2, CO3, CO4
18.	What are the guidlines to be followed in the preparation of financial statements as per Ind AS ?	BL1	CO1, CO2, CO3, CO4

Section C

Answer any one question. Each carries 10 marks (1 x 10 = 10 Marks)

19.	Following is the Trial Balance of Chennai Branch as on 30-6-2025	BL3	CO3

	Dr.₹	Cr.₹
Furniture	1,400	
Cash at Bank and in hand	1,780	
Office Expenses	470	
Rent	960	
Debtors & Creditors	3,700	1,850
Salaries	1,500	
Goods supplied to H.O		6,000
Sales		38,000
Goods Received from H.O	8,000	
Purchase	18,800	
Stock, 1st July, 2024	6,000	
H.O Account	3,240	
Total	**45,850**	**45,850**

	Closing stock was valued at ₹ 2,700. The Branch A/c in the H.O. Books on 30th June, 2025 stood at 460 (Dr.). Goods worth 2,500 sent by H.O. to Branch and remittance of ₹1,200 sent by branch to H.O were in transit. A provision for doubtful debts is to be raised at 2% on debtors and furniture is to be depreciated by 10%. You are required to incorporate the above trial balance of the branch in H.O Books and to give the Chennai Branch A/c appearing finally in the Delhi H.O Books.		
20.	The following is the trial balance of Ram Cement Co Ltd on 31-03-2025 Adjustments : • Stock on 31-03-2025 was worth ₹82000 • Depreciate fixed assets at 10 % • Make provisions for income tax at the rate of 50% • Prepare statement of P&L a/c for the year ended 31-03-2025 and balance sheet as on that date	BL2	CO1, CO2, CO3, CO4

Debit balances	₹	Credit balances	₹
Stock (1-4-2024)	₹ 75,000	Sales	₹ 3,50,000
Purchases	₹ 2,45,000	Profit &loss statement (31-03-24)	₹ 15,030
Wages	₹ 50,000	Share capital (10000 equity shares of ₹10)	₹ 1,00,000
Furniture and fittings	₹ 17,000	Sundry creditors	₹ 17,500
Salaries	₹ 7,500	Reserve fund	₹ 15,500
rent	₹ 4,950	Discount received	₹ 5,000
Sundry expenses	₹ 7,050		
Dividend paid	₹ 9,000		
Debtors	₹ 37,500		
Machinery	₹ 29,000		
Cash in hand	₹ 10,200		
Cash at bank	₹ 6,000		
patents and trade mark	₹ 4,830		
	₹ 5,03,030		5,03,030

CO : Course Outcome

BL : Bloom’s Taxonomy Levels (1 – Remember, 2 – Understand, 3 – Apply, 4 – Analyse, 5 – Evaluate, 6 – Create)