Reg. No. | | | | | | | | |

G. VENKATASWAMY NAIDU COLLEGE (AUTONOMOUS), KOVILPATTI – 628 502.

UG DEGREE END SEMESTER EXAMINATIONS - APRIL 2025.
(For those admitted in June 2023 and later)

PROGRAMME AND BRANCH: B.COM., BUSINESS ANALYTICS

SEM	CATEGORY	COMPONENT	COURSE CODE	COURSE TITLE
II	PART - III	CORE - 3	U23BA203	FINANCIAL ACCOUNTING - II

Date & Session:28.04.2025/FN **Time : 3 hours** **Maximum: 75 Marks**

Course Outcome	Bloom's K-level	Q. No.	**SECTION – A (10 X 1 = 10 Marks)** **Answer ALL Questions.**
CO1	K1	1.	Under Hire purchase system, buyer becomes owner ____. a) after the receipt of goods b) on payment of down money c) on payment of last instalment d) none of the above
CO1	K2	2.	The difference between the hire purchase price and cash price is _____. a) Interest b) down payment c) advance payment d) none of the above
CO2	K1	3.	Depreciation on assets should be divided among different departments on the basis of ___. a) Floor space b) Sales price c) Purchase price d) Assets value of each department
CO2	K2	4.	When goods are invoiced to branch at selling price, the value of goods is adjusted by ____. a) Debiting goods sent to branch a/c b) Crediting goods sent to branch a/c c) Crediting stock reserve a/c d) Debiting stock reserve a/c
CO3	K1	5.	Revaluation A/c is _________ a/c. a) a nominal b) a real c) a personal d) an impersonal
CO3	K2	6.	On admission of a new partner, decrease in value of asset is debited to ____. a) P & L adjustment a/c b) Balance sheet c) Revaluation a/c d) None of the above
CO4	K1	7.	General Reserve appearing at the time of dissolution is transferred to ______ account. a) Bank b) Realisation c) Cash d) Capital
CO4	K2	8.	Proportionate capital method is otherwise called as ______ method. a) Relative capital b) Maximum loss c) Balance d) None of the above
CO5	K1	9.	IFRS stands for __________. a) International Financial Reporting Statements b) International Financial Reporting Standards c) Indian Financial Reporting Statements d) Indian Financial Reporting Standards

CO5	K2	10.	Accounting principles are generally based on ________. a) Objectivity b) Subjectivity c) Convenience in recording d) None of the above
Course Outcome	**Bloom's K-level**	**Q. No.**	**SECTION – B (5 X 5 = 25 Marks)** **Answer ALL Questions choosing either (a) or (b)**
CO1	K3	11a.	Mr. Anbu purchased a machine by hire purchase system for Rs.30, 000 to be paid as follows: **Rs.** Down payment 5,000 At the end of the first year 7,000 At the end of the second year 6,500 At the end of the third year 6,000 At the end of the fourth year 5,500 Interest is charged on the cash value at 10% p.a. Calculate the cash price of the machine. **(OR)**
CO1	K3	11b.	'S' purchased a machine 1-1-2020 on H.P. system. The cash price of the machine is Rs.22, 350, payable Rs.6, 000 on signing the arrangement and the balance in three equal annual instalments of Rs.6, 000 at the end of each year. Vendor charges interest at 5% p.a. You are required to calculate the interest included in each instalment.
CO2	K3	12a.	From the following, prepare departmental Trading and Profit and Loss Account for the year ended 31st December 2020, apportioning expenses on a suitable basis. Rs. Stock on 1.1.20 Dept A 5,400 Dept B 4,900 Purchases Dept A 9,800 Dept B 7,350 Sales Dept A 16,900 Dept B 13,520 Closing stock Dept A 2,748 Dept B 2,401 Wages Dept A 1,340 Dept B 240 Carriage inward 469 Discount allowed 441 Discount received 133 Advertisement 738 **(OR)**
CO2	K3	12b.	S.E.V Trading company of Madurai operate Branch at Madras. From the following particulars, prepare the Branch account as it would appear in the books of Head office.

<table>
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		Rs.
Stock in Trade at the Branch on 1-1-2021		11,400
Goods sent to Madras branch		1,09,000
Cash sent to branch for the following:		
	Rs.	
Salaries	8,600	
Rent	7,200	
Other expenses	2,200	18,000
Cash sent by branch		1, 72,600
Stock in trade at branch on 31.12.21		7,600
Cash in hand at the branch on 31.12.21		100

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<tr><td>CO3</td><td>K4</td><td>13a.</td><td>
Ramu and Somu were partners sharing profits in the ratio of 5:3. In view of Venu’s admission, they decided to revalue their assets and liabilities as indicated below:
(a) To increase the value of Land by Rs.30,000.
(b) Provision for doubtful debts to be decreased by Rs.400.
(c) To decrease Machinery by Rs.8,000, Furniture by Rs.2000 and Stock by Rs.6,000.
(d) A provision for outstanding liabilities was to be created for Rs.400. Give journal entries.
(OR)
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<tr><td>CO3</td><td>K4</td><td>13b.</td><td>
The following is the Balance Sheet of A,B and C on 31st December 2017:

Liabilities	Rs.	Assets	Rs.
Sundry Creditors	4,500	Cash in hand	300
Reserve Fund	4,800	Cash at Bank	7,500
Capital Account		Stock	9,000
A - 15,000		Sundry Debtors	9,000
B - 7,500		Furniture	12,000
C - 7,500	30,000	Tools	1,500
	39,300		39,300

C died on 31st March 2018. Under the terms of the partnership Deed the Executor of a deceased partner were entitled to:
(a) Amount standing to the credit to the partner's capital account
(b) Interest on capital @ 5% p.a
(c) Share of Goodwill on the basis of twice the average of the past three Years' Profits.
(d) Share of Profits from the closing of the financial year to the death on the basis of the last three year's profits.
Profits for 2015 Rs.9,000; for 2016 Rs.12,000; 2017 Rs. 10,500. Profits were shared in the ratio of capitals.

Pass the necessary journal entries and find out the amount payable to the heir of C.
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<tr><td>CO4</td><td>K4</td><td>14a.</td><td>
The following was the Balance Sheet of Radha, Krishna and Sankar as on 31.12.2019.

Liabilities	Rs.	Assets	Rs.
Creditors	12,000	Machinery	25,000
General Reserve	3,000	Stock	11,000
Radha’s Capital account	20,000	Debtors	9,500

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Krishna's Capital account	15,000	Goodwill	13,000
Sankar's Capital account	10,000	Cash	1,500
Total	**60,000**	**Total**	**60,000**

On the above date the firm was dissolved. The assets realized Rs.50,000. The creditors were settled at Rs.11,500. Dissolution expenses amounted to Rs.1,000. The partners had 3:2:1 as their profit sharing ratio.

Prepare necessary ledger accounts to close the books of accounts.

(OR)

CO4	K4	14b.	Gani and Sony are partners sharing profits in the ratio of 3:2. on 1st July 2017 their Balance Sheet was as under:

Liabilities	Rs.	Assets	Rs.
Sundry Creditors	20,000	Stock	12,000
Capital :		Debtors	15,000
Gani - 5,000		Furniture	600
Sony - 3,000	8,000	Cash	400
	28,000		28,000

The firm was dissolved on the above date. The assets realised only Rs.16,000. Expenses came to Rs.500. Gani 's private estate could pay only Rs 1,000. Sony has no surplus. Close the books of the firm, by showing the relevant ledger accounts.

CO5	K5	15a.	Illustrate the role of Accounting Standards,
			(OR)
CO5	K5	15b.	Distinguish between IND AS and IFRS

Course Outcome	**Bloom's K-level**	**Q. No.**	**SECTION – C (5 X 8 = 40 Marks)** **Answer ALL Questions choosing either (a) or (b)**
CO1	K3	16a.	On 1.1.2015 National Transport Company purchased from metro motors five trucks costing Rs.40,000 each on the hire purchase system. It was agreed that Rs.50,000 should be paid immediately and the balance in three months instalments of Rs.60,000 each at the end of each year. The Metro Motors charges interest@ 10% p.a. The buyer depreciates trucks at 20% p.a. on the diminishing balance method. The buyer paid cash down and two instalments but failed to pay the last instalment. Consequently, the Metro Motors repossessed three trucks leaving two trucks with the buyer and adjusting the value of 3 trucks against the amount due. The trucks repossessed were valued on the basis of 30% depreciation p.a. on the written down value. The trucks repossessed were sold by Metro Motors for Rs. 60,000 after necessary repairs amounting to Rs. 10,000. Open the necessary ledger accounts in the books of both the parties.
			(OR)
CO1	K3	16b.	Mr. Paneer purchased 4 cars for Rs.14,000 each on 01.01.2020 under the hire purchase system. The hire purchase price for all the 4 cars was Rs.60,000 to be paid as Rs.15,000 down payment and 3 equal instalment of Rs.15,000 each at 5% per annum. The buyer depreciates

			the car at 10% per annum on straight line method. From the above particulars give journal entries in the books of Mr. Paneer
CO2	K4	17a.	Rama departmental stores have two departments A & B. From the following prepare departmental trading account: **Purchases:** Dept. A - 1,000 units Dept. B - 2,000 units at a cost of Rs. 1,00,000 Dept. C – 2,400 units **Opening stock:** Dept. A - 120 units Dept. B - 80 units Dept. C – 152 units **Sales:** Dept. A - 1020 units @ 20 per units Dept. B - 1920 units @ 22.50 per units Dept. C – 2496 units @ 25 per units Assume that GP rate is uniform for both the departments. **(OR)**
CO2	K4	17b.	Jothimani of Chennai has a branch at Trichy. Goods are invoiced to branch at cost plus 25%. Branch sends remittances daily. All the expenses of branch are met by head office. Head office reimburses the petty expenses of the branch. Prepare Branch Account in Head office books. Petty cash book is kept under imprest system. **Rs.** Opening petty cash — 200 Opening stock — 7,500 Goods received from Head office — 54,600 Closing stock — 9,000 Petty expenses by Branch — 100 Cheque sent for: Rent — 2,400 Wages — 2,040 Petty Expenses — 480 Opening Debtors — 4,200 Cash sales — 32,400 Credit sales — 21,000 Cash received from debtors — 19,800
CO3	K4	18a.	A and B are partners in a firm. They share profits and losses in the ratio of 3:1. Their Balance sheet is as follows: Liabilities — Rs. | Assets — Rs. Capital A — 80,000 | Buildings — 1,00,000 B — 40,000 | Plant — 25,000 Reserves — 40,000 | Stock — 40,000 Creditors — 60,000 | Debtors — 70,000 Bills Payable — 20,000 | Cash — 5,000 2,40,000 | 2,40,000 C is admitted into partnership for 1/5 th share of the business on the following terms:

(a) Building is revalued at Rs.1,20,000.
(b) Plant is depreciated to 80%.
(c) Provision for bad debts is made at 5%.
(d) Stock is revalued at Rs.30,000.
(e) C should introduce 50% of the adjusted capitals of both A and B.

Open various accounts and the new Balance sheet after the admission of C.

(OR)

CO3 | K4 | 18b.

Malathi and Revathi are partners in a business sharing profits and losses in the ratio of 3:2. Their balance sheet as on 1st January 2021 was as given below:

Liabilities	***Rs.***	***Assets***	***Rs.***
Capital Account:		Machinery	20,000
Malathi	20,000	Stock	16,000
Revathi	15,000	Debtors	15,000
Reserve Fund	15,000	Cash at Bank	6,000
Creditors	7,500	Cash in hand	500
	57,500		57,500

Revathi retires from the business on 01.01.2021 owning to illness and takes it over. The following revaluations were made:

a. The Goodwill of the firm is valued at Rs.25,000.
b. Depreciate Machinery by $7\frac{1}{2}\%$ and stock by 15%.
c. Create a provision for debts at 5% on debtors.
d. Create a provision for discount on creditors at 2%.

Prepare Revaluation account, partner's capital accounts, and balance sheet of Malathi.

CO4 | K5 | 19a.

P,Q and R were partners sharing profits and losses in the ratio of 2:2:1. The partnership was dissolved on 31.12.2014 and their Balance sheet on that date was as follows :

Liabilities	Rs.	Assets	Rs.
Sundry Creditors	6,000	Cash in hand	2,000
Capital Accounts:		Other Assets	38,000
P - 16,000			
Q - 10,000			
R - 3,000	29,000		
Profit & Loss a/c	5,000		
	40,000		40,000

The assets were realised gradually:
Rs. 10,000 was received in I Instalment
Rs. 10,000 was received in II Instalment
Rs. 13,000 was received in III Instalment
Show how the cash was distributed according to Maximum Loss Method.

(OR)

CO4 | K5 | 19b.

A , B and C are partners sharing profits and losses in the ratio of 3:2:1. On 31-12-2016, their balance sheet was as follows:

Liabilities	Rs.	Assets	Rs.
Creditors	16,000	Furniture	8,000
Bank loan	13,000	Motor Van	20,000
Mrs. B's Loan	6,000	Stock	24,000

			Capital : A 14,000; B 12,000; C 9,000; Total 70,000 — Debtors 10,000 Less: Provision for doubtful debts 1,000 = 9,000; Investments 6,000; Cash 3,000; Total 70,000 The firm was dissolved on the above date. B took over his wife's loan and motor van at Rs.16,000. Half of the Stock was taken over by C at Rs.10,000 and the remaining stock realised Rs.11,000. Other assets realized as follows: Debtors 8,300 Furniture 4,500 Investments 5,800 Goodwill 2,000 Creditors were discharged at a discount of 5%. Realisation expenses amounted to Rs.1,400. Show the necessary ledger accounts.
CO5	K5	20a.	Elucidate the objectives and uses of financial statements for users. **(OR)**
CO5	K5	20b.	Justify the requirements of International Accounting Standards.