QP CODE: 26021037

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Reg No : .....

Name : .....

B.COM DEGREE (CBCS) REAPPEARANCE/ MERCY CHANCE EXAMINATIONS, APRIL 2026

Second Semester

Core Course - CO2CRT04 - FINANCIAL ACCOUNTING II

(Common to all B.Com Degree Programmes)

For Regular Candidates: 2017 Admission Onwards For Private Candidates : 2021 Admission Only

1A257272

Time: 3 Hours Max. Marks : 80

Instructions to Private candidates only: This question paper contains two sections. Answer SECTION I questions in the answer-book provided. SECTION II, Internal examination questions must be answered in the question paper itself. Follow the detailed instructions given under SECTION II

Part A

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. Distinguish between Ownership and Possession?
2. What is Annuity?
3. What is Credit Purchase Method?
4. State any two features of branch?
5. What is branch expenses account?
6. What do you mean by departmental trading account?
7. How would you allocate Lighting and Rent among different departments of Departmental Organisation?
8. What do you mean by dissolution of a firm?
9. Explain maximum possible loss method
10. How would you treat an unrecorded asset taken by a partner at the time of dissloution?
11. When all the partners are insolvent, how the deficiency is treated?
12. What is AS 10?

(10×2=20)

Part B

*Answer any **six** questions.*

*Each question carries **5** marks.*

13. Explain the rights of hirer?

14. Explain the accounting records in the books of hire vendor under Credit Purchase Method?

15. Briefly explain the procedure under debtors system

16. What are transit items,.Explain briefly

17. Differentiate between branches and department.

18. From the following prepare departmental Trading and Profit and loss account

Particulars	Dept A	Dept B
Opening Stock	50,000	40,000
Purchases	1,60,000	1,25,000
Sales	1,75,000	1,40,000
Closing Stock	60,000	20,000

Other information:

Salaries and wages	48,000
Rent	10,800
Sundry expenses	11,000

Salaries and wages should be apportioned in the ratio of 3:1.Rent is to be apportioned equally. Sundry expenses are apportioned on the basis of sales of each department.

19. Distinguish between dissolution of a partnership and dissolution of a firm

20. Explain Garner Vs Murray case decision

21. What are the main objectives of ASB?

(6×5=30)

Part C

*Answer any **two** questions.*

*Each question carries **15** marks.*

22. On 1.1.2016 Menon purchased a Motor car from Popular Automobiles on hire purchase system. Cash price of the Car was Rs. 2,50,000; payable Rs.70,000 down and the balance in three annual instalments of Rs. 67,500 each on 31st December every year. Interest was charged at 6% p.a. on the yearly balances. Depreciation was charged at 10% p.a on reducing instalment method.

Menon failed to pay the instalment due on 31.12.2017 and Popular automobiles repossessed the car. On 1.2.2018 the vendor spent Rs. 9,000 for reconditioning the car and sold it for Rs. 1,95,000.

Show the ledger accounts in the books of both the parties.

23. The following is the trial balance sent by Trichi branch to Delhi head office as on 31st Dec. 2014.

Particulars	Dr.	Cr.
Stock at branch on 1/1/14	12,000	
Goods received from H.O	24,000	
Purchases	60,000	
Cash in hand	3,000	
Cash at Bank	4,000	
Sales		1,10,000
Commission received		2,000
Bank interest		200
Wages	4,000	
Salaries	6,000	
Rent	2,000	
Furniture	6,000	
Debtors	20,000	
Creditors		15,000
Sales returns	3,000	
Bills receivables	6,000	
Head office account		22,800
	1,50,000	1,50,000

The branch account in head office book shows a debit balance of Rs 22,800

The stock at branch on 31st Dec. is valued at Rs 18000

Wages outstanding are Rs 500

Furniture requires a depreciation @ 10%

1.) Give jounal entries to incorporate the branch Trial balance , prepare branch trading & Profit and loss account and also show the branch account in H .O .Books

2) Give journal entries and head office account in the branch book so as to close their books

24. From the following balances prepare Departmental Trading and Profit and Loss account for the year ended 31.03.2018

Opening Stock		Sales:	
Dept A	2,50,000	Dept A	10,50,000
Dept B	3,50,000	Dept B	12,50,000
Purchases:		Salaries:	
Dept A	6,50,000	Dept A	90,000
Dept B	9,50,000	Dept B	1,00,000
Closing Stock:		Carriage Inwards:	
Dept A	3,00,000	Dept A	50,000
Dept B	3,30,000	Dept B	60,000
		General managers Salary	1,00,000

Additional Information:

1.Closing stock of Dept A includes goods taken from Dept B at a value of Rs.70,000 at a profit of 20% on invoice price

Closing stock of Dept B includes stock of the value of Rs.50,000 delivered by Dept A at a profit of 25% on cost.

2.During the year Dept A transferred goods of the value of Rs. 1,00,000 to Dept B and Dept B transferred goods of the value of Rs. 1,40,000 to Dept A.

3.The opening stocks are at cost price to the transferer Departments.

25. A, B, and C are partners sharing profits and losses as 5:3:2 . Below is their Balance Sheet as on 31/12/2018 when they decided to dissolve the firm.

Liabilities	Amount	Assets	Amount
Sundry Creditors	40,000	Premises	40,000
A's Loan	10,000	Plant	30,000
Capital accounts:		Stock	30,000
A	50,000	Debtors	60,000
B	15,000		
C	45,000		
	1,60,000		1,60,000

It was agreed to repay the amount due to the partners as and when the assets were realized, viz. First Realisation Rs.30,000; Second Realisation Rs.73,000; Third realization Rs.47,000; Prepare a statement showing how the distribution should be made and write up the Cash Account and Partners Capital Accounts.

(2×15=30)