



K21U 1924

Reg. No. : .....

Name : .....

**III Semester B.B.A./B.B.A. (RTM) Degree CBCSS (OBE) Reg./Sup./Imp.  
Examination, November 2021  
(2019 – 2020 Admission)  
Core Course  
3B04BBA/BBA (RTM) : FINANCIAL ACCOUNTING**

Time : 3 Hours

Max. Marks : 40

**PART – A**

Answer **all** questions. **Each** question carries **1** mark.

1. Define Accounting.
2. What is outstanding expense ?
3. What is a private company ?
4. What is prospectus ?
5. What do you mean by dissenting shareholders ?
6. What is interim dividend ? **(6×1=6)**

**PART – B**

Answer **any 6** questions. **Each** question carries **2** marks.

7. What is going concern concept ?
8. What do you mean by liabilities ?
9. What is depreciation ?
10. Explain the treatment of closing stock in the final accounts of a business.
11. What is calls in advance ?
12. What is right share ?
13. What is net asset method of purchase consideration ?
14. What is consolidation of shares ? **(6×2=12)**

P.T.O.



## PART – C

Answer **any 4** questions. **Each** question carries **3** marks.

15. What are the limitations of financial accounting ?
16. What are the functions of accounting ?
17. What is revenue expenditure ? Give examples.
18. Give adjusting entries for the following :
  - a) Rent outstanding Rs. 5,000.
  - b) Interest received in advance Rs. 2,000.
  - c) Depreciation on furniture Rs. 500.
  - d) Commission accrued Rs. 600.
  - e) Salary paid in advance Rs. 2,000.
19. Explain different types of preference shares.
20. What is amalgamation in the nature of merger ? (4×3=12)

## PART – D

Answer **any 2** questions. **Each** question carries **5** marks.

21. What are the different branches of accounting ? Differentiate between financial accounting and management accounting.
22. What is amalgamation ? What are its features ? What are the differences between amalgamation and external reconstruction ?
23. A Ltd. Invited application for 2,00,000 equity shares of Rs. 10 each at a discount of Re 1 per share payable as follows :
  - Rs. 2 on application
  - Rs. 3 on allotment
  - Rs. 4 on first and final call.

The applications received were for 1,80,000 shares and all of these were accepted. All money due was received except the first and final call on 1200 shares. These shares were forfeited and 400 of these shares were reissued as fully paid for a payment of Rs. 8 per share.

Pass necessary journal entries.



24. The following is the Trial Balance of Vishnu Agencies as on 31<sup>st</sup> March 2020. Prepare Trading and Profit and Loss Account for the year ended 31<sup>st</sup> March 2020 and a Balance Sheet as on that date.

Particulars	Debit (Rs.)	Credit (Rs.)
Capital		4,00,000
Buildings	60,000	
Drawings	72,000	
Furniture	30,000	
Motor van	1,00,000	
Loan		60,000
Bad debt	3,600	
Sales		4,00,000
Purchases	3,00,000	
Opening stock	1,00,000	
Salaries	60,000	
Wages	8,000	
Insurance	4,000	
Commission		30,000
Sundry debtors	1,12,400	
Sundry creditors		40,000
Cash at bank	80,000	
	<b>9,30,000</b>	<b>9,30,000</b>

**Adjustments :**

- a) The value of closing stock on 31<sup>st</sup> March 2020 was Rs. 60,000.
- b) Outstanding wages Rs. 2,000.
- c) Prepaid insurance Rs. 1,000.
- d) Commission received in advance Rs. 2,000
- e) Depreciation on furniture 10%.

(2×5=10)



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III Semester B.B.A./B.B.A. (RTM) Degree CBCSS (OBE) – Regular  
Examination, November 2020  
(2019 Admission Only)  
Core Course

3B04 BBA/BBA (RTM) : FINANCIAL ACCOUNTING

Time : 3 Hours

Max. Marks : 40

PART – A

Answer **all** questions. **Each** question carries **1** mark.

1. Define Accounting.
2. What is prepaid expense ?
3. What is a statutory company ?
4. What is issue of shares at premium.
5. What is capital reduction account ?
6. What is scrip dividend ?

(6×1=6)

PART – B

Answer **any 6** questions. **Each** question carries **2** marks.

7. What is accounting entity concept ?
8. What is management accounting ?
9. What is trading account ?
10. What is Trial Balance ?
11. What is forfeiture of shares ?
12. What is calls in advance ?
13. What is corporate dividend tax ?
14. What is purchase consideration ?

(6×2=12)

P.T.O.



## PART – C

Answer **any 4** questions. **Each** question carries **3** marks.

15. Explain different branches of accounting.

16. Explain the following concepts :

- a) Revenue realization concept and
- b) Matching concept.

17. What is Capital Expenditure ? Give examples.

18. From the following information, calculate cost of goods sold.

Stock on 1-1-2019 Rs. 2,00,000

Purchases Rs. 1,80,000

Purchase returns Rs. 20,000

Wages Rs. 80,000

Carriage Rs. 40,000

Stock on 31-12-2019 Rs. 1,00,000.

19. Asia Ltd. issued shares of Rs. 10 each at 10% premium payable as follows :

On application Rs. 2

On allotment Rs. 3 (including premium)

On first call Rs. 2 and

On final call Rs. 4

Ajith, who was holding 50 shares did not pay his allotment and first call and his shares were forfeited. Rajan who was holding 30 shares did not pay first call and his shares were also forfeited. Give Journal Entries relating to forfeiture of shares assuming that final call was not made.

20. Explain the different methods used for calculation of purchase consideration.

(4×3=12)



PART – D

Answer **any 2** questions. **Each** question carries **5** marks.

- 21. Briefly explain various users of accounting information.
- 22. What is amalgamation ? What are its features ? What are the differences between amalgamation and external reconstruction ?
- 23. XYZ Ltd. invited application for 1,00,000 equity shares of Rs. 10 each at a discount of Re. 1 per share payable as follows :
  - Rs. 2 on application
  - Rs. 3 on allotment
  - Rs. 4 on first and final call.

The applications received were for 90,000 shares and all of these were accepted. All money due was received except the first and final call on 600 shares. These shares were forfeited and 200 of these shares were reissued as fully paid for a payment of Rs. 8 per share.

Pass necessary Journal Entries.

- 24. The following is the Trial Balance of Kasturi Agencies as on 31<sup>st</sup> March 2020. Prepare Trading and Profit and Loss Account for the year ended 31<sup>st</sup> March 2020 and a Balance Sheet as on that date.

Particulars	Debit (Rs.)	Credit (Rs.)
Capital		1,00,000
Buildings	15,000	
Drawings	18,000	
Furniture	7,500	
Motor Van	25,000	
Loan		15,000



Interest	900	
Sales		1,00,000
Purchases	75,000	
Opening stock	25,000	
Salaries	15,000	
Wages	2,000	
Insurance	1,000	
Commission		7,500
Sundry debtors	28,100	
Sundry creditors		10,000
Cash at bank	20,000	
	<b>2,32,500</b>	<b>2,32,500</b>

**Adjustments :**

- The value of closing stock on 31<sup>st</sup> March 2020 was Rs. 32,000
- Outstanding wages Rs. 500
- Prepaid insurance Rs. 300
- Commission received in advance Rs. 800
- Depreciation on furniture 10%.

**(2×5=10)**