

Reg. No.:



Y8282

Name:

University of Kerala

Second Semester FYUGP Degree Examination, June 2026

Discipline Specific Core Course

COMMERCE

UK2DSCCOM100 - Financial Accounting

Academic Level: 100-199

2024 Admission onwards

Time: 2 Hours(120 Mins)

Max. Marks: 56

Part A. 6 Marks:Time 5 Minutes.(Cognitive Level :Remember(RE)/Understand(UN)) Objective Type.1 mark each,
Answer all questions

Qn No.	Question	CL	CO
1	At the time of Dissolution of Partnership Firms, Loan from a Partner is transferred to Options : A)Realization A/c B)Revaluation A/c C)Partners Capital A/c D)Cash/Bank A/c	RE	2
2	The risk of loss in consignment is borne by Options : A)Consignee B)Consignor C)Seller D)Buyer	RE	3
3	Before distributing cash to prtners, which of the following should be done? Options : A)Distribution of Reserves B)Payment of Liabilities C)Assessment of market demand D)Estimation of future profit	UN	2
4	The excess of Invoice price over cost price in case of consignment is Options : A)Unrealised profit B)Goods in transit C>Loading D)Net Profit	UN	3
5	What is the primary purpose of a Branch Stock Account? Options : A)To manage employee salaries B)To monitor customer sales C) To track the inventory of goods available at the branch D)To record all financial transactions of the branch	UN	2
6	Which of the following is not an example of a non-recurring expense?	UN	1

Qn No.	Question	CL	CO
	Options : A) Customs duty B) Insurance in transit C) Ware house rent D) Octroi		

Part B. 10 Marks. Time: 20 Minutes (Cognitive Level: Understand(UN)/Apply(AP)) Two-three sentences. 2 marks each. Answer all questions

Qn No.	Question	CL	CO
7	Demonstrate the format of Realisation Account with imaginary items	UN	2
8	Explain any two objectives of IFRS Board.	UN	2
9	Write any 4 accounting rule to be applied in the absence of Partnership deed.	AP	1
10	X Ltd. is a head office which prepare separate branch account for each of its branch. Identify and explain the method of accounting followed by the head office and explain it.	AP	4
11	Identify the different modes of Dissolution of a partnership firm.	AP	1

Part C. 16 Marks. Time: 35 Minutes. (Cognitive Level : Apply(AP)/Analyse(AN)) Short Answer. 4 marks each, Answer all 4 questions, choosing among options * within each question

Qn No.	Question	CL	CO
12	A) On dissolution, after settling assets and paying outside liabilities, a partnership firm has ₹60,000 left. The partner capital balances before dissolution were: X's capital ₹ 1,20,000 Y's capital ₹ 80,000. The partners shared profits equally. Calculate the balances of capital account after distributing ₹60,000. OR B) The following are the transactions between the Branch and the Head Office for the year ended 31st March 202a. Prepare Branch account	AP	1, 2

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13	A) Prepare a Balance Sheet of a partnership firm as on a given date, based on the following information: • The total value of assets of the firm is ₹5,00,000. • The total liabilities (excluding partners' capital and reserves) amount to ₹3,00,000. • The firm has also accumulated reserves amounting to ₹20,000. • Assuming that there are two partners sharing profits and losses equally. Show the Balance Sheet in a proper format clearly mentioning Liabilities and Assets. OR B) M/s A & Co. sends goods worth ₹2,00,000 to M/s B & Co. for sales .The following transactions have taken place: 1. Freight & Insurance paid by A& Co. ₹10,000 2. Goods sold by Consignee: ₹1,50,000 3. Expenses incurred for B&Co. ₹5,000 4. Commission @ 5% on Sales Prepare an account sales rendered by Ms B&Co.	AP	1, 3																
14	A) Analyze different methods of Piecemeal Distribution OR B) Analyse the relevant provisions of the Indian Partnership Act,1932 in the absence of partnership deed.	AN	2, 1																
15	A) A consignor sent goods worth ₹50,000 to a consignee. During transit, 10% of the goods were destroyed due to an accident. The insurance company agreed to pay 60% of the loss. The consignee sold the remaining goods at a 20% profit on cost. Calculate: a) The abnormal loss amount and the insurance claim. b) The profit made by the consignee. OR	AN	3, 4																

Qn No.	Question	CL	CO
	B) From the following information, prepare a Branch Account under the Debtors System: Opening Debtors: ₹15,000 Goods Sent to Branch: ₹90,000 Cash Sales: ₹40,000 Credit Sales: ₹60,000 Cash Received from Debtors: ₹55,000 Branch Expenses: ₹10,000 Closing Debtors: ₹20,000		

Part D. 24 Marks. Time: 60 Minutes. (Cognitive Level :Analyse(AN)/Evaluate(EV)/Create(CR)) Long Answer 6 Marks each. Answer all 4 questions choosing among options * within each question

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16	A) “Consignment is a better business model for expanding into new markets compared to direct sales.” Analyze this statement. OR B) Analyze the impact of IAS 1 "Presentation of Financial Statements" on the financial statements of a partnership firm.	AN	3, 2																																				
17	A) Following is the balance sheet of Liya, Priya and Deepa, who shares profit and losses equally <table border="1" data-bbox="127 1019 941 1422"> <thead> <tr> <th colspan="4">Balance Sheet as on 31st March 2023</th> </tr> <tr> <th>Liabilities</th><th>Amount (₹)</th><th>Assets</th><th>Amount (₹)</th> </tr> </thead> <tbody> <tr> <td>Creditors</td><td>12,000</td><td>Cash at Bank</td><td>26,600</td> </tr> <tr> <td>Reserve Fund</td><td>36,000</td><td>Debtors</td><td>26,000</td> </tr> <tr> <td>Capital:</td><td></td><td>Stock</td><td>18,000</td> </tr> <tr> <td>Liya</td><td>29,200</td><td>Fixed Assets</td><td>65,000</td> </tr> <tr> <td>Priya</td><td>29,200</td><td></td><td></td> </tr> <tr> <td>Deepa</td><td>29,200</td><td></td><td></td> </tr> <tr> <td></td><td>1,35,600</td><td></td><td>1,35,600</td> </tr> </tbody> </table> Liya died on 31 May 2023. According to the partnership deed her legal representatives are entitled to - Balance in the capital account and undistributed profit/loss - Share of goodwill - Share in profit up to the date of death - Interest on capital @6% The goodwill of the firm is ₹42000 and profit for the year is ₹ 21,600. Calculate the amount payable to Liya's legal representatives OR B) Reena and Seena are partners in a firm engaged in the production and sale of woollen clothing. Their capital contribution was Rs. 10,00,000 each with profit sharing ratio of 1 : 1. The new partnership agreement provides for the following:	Balance Sheet as on 31st March 2023				Liabilities	Amount (₹)	Assets	Amount (₹)	Creditors	12,000	Cash at Bank	26,600	Reserve Fund	36,000	Debtors	26,000	Capital:		Stock	18,000	Liya	29,200	Fixed Assets	65,000	Priya	29,200			Deepa	29,200				1,35,600		1,35,600	EV	1, 1
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	10% of the trading profit will be donated to Chief Mister Drought Relief Fund 10% of distributable profit will be transferred to Reserve Fund. - Trading profit for the year 31st March, 2023 was ₹10,00,000. Based on the above information you are required to answer the following questions:a. - How much amount transferred to reserve fund? - What is the closing balance of their capital account?																																						
18	A) Evaluate the underlying reasons and potential advantages for a head office to adopt a pricing strategy that involves sending goods to branches at prices higher than their actual cost, and what are the consequences for organization's profitability. OR B) Anita runs a handicraft business and frequently sends goods on consignment to her agent, Dev. Before dispatching goods worth ₹50,000, she prepares a document listing the details. After the goods are sold, Dev sends back another document, showing sales, expenses, and the final amount due to Anita. Anita is unsure whether maintaining both these documents is necessary. Using this scenario, explain these two documents in the consignment process and draw a sample of both the documents	EV	4, 3																																				
19	A) The capital account shows the total equity investment of a partner in a firm. Does profits, interest on capital, interest on drawings, salary of a partner make any effect on capital account? Illustrate your answer with imaginary figures. OR B) The following is the Balance sheet of X and Y sharing profits and losses in the ratio of 3:2 as on 31stDecember 2018 <table border="1"> <thead> <tr> <th colspan="4">Balance Sheet</th> </tr> <tr> <th>Liabilities</th><th>Amount (₹)</th><th>Assets</th><th>Amount (₹)</th></tr> </thead> <tbody> <tr> <td>Creditors</td><td>24,000</td><td>Cash</td><td>12,000</td></tr> <tr> <td>Bank Loan</td><td>18,000</td><td>Debtors</td><td>20,000</td></tr> <tr> <td>Reserves</td><td>8,000</td><td>Furniture</td><td>30,000</td></tr> <tr> <td>Capital:</td><td></td><td>Machinery</td><td>30,000</td></tr> <tr> <td>X</td><td>28,000</td><td>Stock</td><td>8,000</td></tr> <tr> <td>Y</td><td>22,000</td><td></td><td></td></tr> <tr> <td>Total</td><td>1,00,000</td><td>Total</td><td>1,00,000</td></tr> </tbody> </table> The firm was dissolved on the date of balance sheet. The assets were realized as follows. Debtors 19500, Stock 9000, Furniture 12000, and Machinery 40000. Creditors were paid at a discount of 10%. Realisation profit 2000. Prepare capital accounts and cash account on dissolution of the firm.	Balance Sheet				Liabilities	Amount (₹)	Assets	Amount (₹)	Creditors	24,000	Cash	12,000	Bank Loan	18,000	Debtors	20,000	Reserves	8,000	Furniture	30,000	Capital:		Machinery	30,000	X	28,000	Stock	8,000	Y	22,000			Total	1,00,000	Total	1,00,000	CR	1, 3
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