

**Second Semester B.Com. Degree Examination, May/June 2025**  
**(SEP Scheme)**  
**COMMERCE**  
**PAPER : (SCB 0210) : Advanced Financial Accounting**

Time : 3 Hours

Max. Marks : 80

**Instructions to Students:**

1. The student should legibly write Section number along with question numbers within the margin ONLY.
2. The answers without Section number and question numbers will not be valued.
3. Draw a neat & labeled diagram wherever necessary.
4. Do not write anything (except register number) on the question paper.

**SECTION - A****I. Answer any THREE questions. Each question carries FIVE marks. (3x5=15)**

1. What is Departmental Undertakings? What are the objectives of Departmental Accounts?
2. What do you mean by single entry system, state the limitations of single entry system?
3. From the following information prepare Departmental trading and profit and loss account for the year 2024.

Particulars	Department	
	A (Rs.)	B (Rs.)
Stock on 1/1/2024	50,000	60,000
Purchases	60,000	80,000
Sales	1,60,000	2,00,000
Stock on 31/12/2024	20,000	30,000
Salary	10,000	
Carriage inward	5,000	
Discount received	2,000	
Discount allowed	3,000	

Allocate the common expenses on the basis of purchases and sales.

4. KGV Mills, Seethapura has opened a new branch in Shimoga for selling goods only on cash basis. The following are the transactions between Shimoga Branch office and Head office during the year ended 31<sup>st</sup> December 2021.

Particulars	Rs.
1) Stock on 1 <sup>st</sup> January, 2021	2,00,000
2) Stock on 31 <sup>st</sup> December, 2021	5,00,000
3) Petty cash balance on 31 <sup>st</sup> December 2021	2,000
4) Goods sent to Shimoga Branch during 2021	25,00,000
5) Cash received from Shimoga Branch during 2021	30,00,000
6) Cash sent to Shimoga branch for rent & salary	20,000
7) Petty cash for expenses	5,000

Prepare Shimoga Branch A/c in the books of KGV Mills, Seethapura.

5. A Fire occurred in the premises of M/s Kishore enterprises on 30<sup>th</sup> Sept. 2022 and stock of the value of Rs. 55,000 was salvaged, and the following information was available.

	Rs.
Purchases for the year ended 31/12/2021	3,50,000
Sales for the year ended 31/12/2021	5,00,000
Purchase from 1/1/2022 to 30/09/2022	1,20,000
Sales from 1/1/2022 to 30/09/2022	1,80,000
Stock on 1/1/2021	1,50,000
Stock on 31/12/2021	1,70,000

From the above information ascertain the amount of Fire claims.

### SECTION - B

- II. Answer any TWO questions. Each carries TEN marks. (2x10=20)

6. Differentiate between Departmental Accounts and Branch Accounts.
7. Find-out Total purchase and Total sales from the following details by making necessary accounts.

	Amount (Rs.)
Opening balance of sundry debtors	30,000
Opening balance of sundry creditors	10,000
Collections from Debtors	1,60,000
Discount Received	2,500
Bad debts	1,000
Payment to creditors	14,000
Discount to allowed	1,500
Return inwards	2,000
Return outwards	3,000
Cash purchases	6,000
Cash sales	10,000
Closing Balance of Debtors	35,000
Closing Balance of creditors	15,000

8. The following particular are in respect of Mysore branch of Bangalore Head office. Prepare Mysore Branch A/c in the books of Bangalore Head Office.

Particulars	Amount (Rs.)
Stock on 1/1/2022	10,250
Petty cash 1/1/2022	150
Debtors 1/1/2022	6,500
Furniture and fixtures 1/1/2022	2,000
Goods supplied to branch during the year	52,500
Goods returned to Head office	2,500
Cash sales	27,500

Credit sales	32,500
Cash received from debtors	33,200
Discount allowed to customers	1,000
Sales returns	1,250
Bad debts written off	500
<b><u>Cheques sent to Branch for expenses :-</u></b>	
Salaries	6,250
Other expenses	1,250
Rent and Taxes	2,000
Petty cash	1,250
Furniture	1,000
Stocks on 31/12/2022	12,500
Petty cash 31/12/2022	170
Furniture and Fixtures 31/12/2022	2,500

9. Fire occurred in the premises of the shop on 30/11/2019. From the following the following information ascertain fire claims.

- Stock on 1/1/2019 - Rs. 68,000
- Purchases from 1/1/2019 to date of fire Rs. 6,80,000
- Wages and manufacturing expenses Rs. 68,000
- Sales from 1/1/2019 to date of fire Rs. 8,00,000
- The stock salvaged Rs. 16,000
- The rate of Gross profit 25% above cost.

### SECTION - C

#### III. Answer any THREE questions. Each carries FIFTEEN marks. (3x15=45)

10. Mr. Manjunath carries on a 'Grocery Business' and does not keep his books on a double entry basis.

The following particulars have been extracted from his books:-

	1/04/2020	31/03/2021
• Plant and Machinery	18,000	18,000
• Stock	8,000	7,000
• Sundry debtors	2,000	3,000
• Cash	4,000	?
• Sundry creditors	5,000	4,660

Analysis of his cash book for the year ending 31<sup>st</sup> March, 2021 showed the following:-

	Rs.
• Wages	6,000
• Sundry expenses	2,500
• Advertising	1,120

• Carriage inwards	2,460
• Rent and rates	2,500
• Cash received from debtors	82,500
• Cash paid to creditors	64,340
• Drawings	3,120

During the financial year 2020-21, Mr. Majunath had taken from his business for his own consumption goods which amounted to Rs. 780. Purchases returns during the year were Rs. 2,000 and sales returns were Rs. 1,000. Depreciate Machinery by 5%. Prepare trading and profit and loss account for the year ending 31st March, 2021 and Balance sheet as at the date.

11. From the following trial balance of MR. Chethan. Prepare departmental trading, P & L A/c for the year ended 31/12/22 and Balance Sheet as at that date.

Particulars	Department	Debit (Rs.)	Credit (Rs.)
Stock on 1/1/22	X	45,000	-
	Y	25,000	-
Purchases	X	2,25,000	-
	Y	1,15,000	-
Sales	X	-	2,94,000
	Y	-	1,46,000
Capital		-	50,000
Drawings		10,200	-
Salaries		12,600	-
Advertising		9,000	-
Rent, Rates and Taxes		3,000	-
Commission paid		10,800	-
Lighting expenses		5,100	-
Furniture an Fixtures		12,300	-
Debtors		12,000	-
6% Govt securities		10,800	-
Sundry creditors		-	8,800
Interest on Govt securities		-	1,500
Cash in hand		4,500	-
<b>TOTAL</b>		<b>5,00,300</b>	<b>5,00,300</b>

#### Adjustments :-

- Closing Stock :- Dept 'X' - Rs. 30,000 Dept 'Y' - Rs. 24,000
- Reserve for doubtful debts @5%
- Outstanding expenses - Advertisements Rs. 1,500 Salary Rs. 1,200, commission Rs. 1,800
- Depreciate paid furniture and fixture at 10%
- Share the items of Expenses and Income in the ratio of 2:1 among the departments X and Y.

12. The Head office of Birur Melodies Ltd., Tarikere has furnished the following information relating to its Sagar Branch for the year ended 31<sup>st</sup> March 2021.

<u>Balance at Branch on 1/4/2020 :</u>	<u>Rs.</u>
a) Stock of goods	30,000
b) Branch debtors	16,450
c) Petty cash	100
<u>Sent by Head office to Branch:-</u>	
a) Goods	99,400
b) Cash for rent and salary	7,000
c) Cash for establishment	21,000
d) Petty cash	4,000
<u>Other transactions :-</u>	
a) Cash sales during the year	55,300
b) Credit sales during the year	1,38,750
c) Cash received from debtors	1,30,000
d) Goods returned by the Branch	2,800
<u>Balance at Branch on 31/3/2021:-</u>	
a) Stock of goods	20,000
b) Petty cash	200

Prepare Sagar Branch Account in books of Birur Melodies Ltd. Tarikere. Also prepare

(a) Sagar Branch Debtors Account (b) Sagar Branch trading & P & L account.

13. Fire occurred in the premises of a company on 31/8/2023 resulting on a greater part of his stock destroyed the following information was as follows:

Stock on 1/1/2023 Rs. 25,000.

Purchases & sales from 1/1/2023 to 31/8/2023 were Rs. 91,000 and Rs. 1,13,200.

Value of stock salvaged Rs. 2,000 and other information are as follows.

<b>Particulars</b>	<b>2020 (Rs.)</b>	<b>2021 (Rs.)</b>	<b>2022(Rs.)</b>
Sales	5,00,000	3,20,000	3,80,000
Purchases	4,20,000	3,50,000	3,00,000
Gross profit	65,000	32,000	38,000

Calculate amount of loss and make conclusion.

14. Write a note on :

- a) Cloud computing.
- b) Forensic Accounting
- c) Creative Accounting

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