QP CODE: 42221

# Second Semester B.Com. Degree Examination, May / June 2026

## (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 are the objectives of Branch Accounting?
2. Explain the advantages of Cloud Accounting.
3. A Fire broke out the Warehouse of Manohara Traders on 31st December 2024. From the following information prepare statement of Fire claim:

| | ₹ |
|---|---|
| Stock on 01-01-2024 | 1,20,000 |
| Sales from 1/1/24 to 31/12/24 | 10,72,000 |
| Salvage Value | 16,000 |
| Purchases from 01.01.2024 to 31.12.2024 | 10,00,000 |

Rate of Gross Profit on sales 25%.

4. From the following information, prepare statement of Affairs as on 1-1-2024 and find out capital:

| | ₹ |
|---|---|
| Sundry Creditors | 11,200 |
| Sundry Debtors | 15,400 |
| Bank over draft | 20,200 |
| Stock | 16,700 |
| Bills receivables | 15,050 |
| Cash | 250 |
| Furniture | 1,500 |
| Motor Van | 1,900 |

5. From the following information, prepare Memorandum Debtor's Account:

| | ₹ |
|---|---|
| Stock of goods at Branch | 5,000 |
| Petty Cash | 150 |
| Goods sent to Branch at cost | 50,000 |
| Goods returned from Branch | 3,000 |
| Collection from Debtors | 42,500 |
| Credit Sales | 51,000 |
| Discount allowed to Debtors | 1,800 |
| Closing Petty cash | 50 |
| Opening Debtors | 9,000 |
| Bad debts written off | 2,000 |

## SECTION - B

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

6. What are the ratios used in distributing following expenses?

| | | | | | |
|---|---|---|---|---|---|
| 1. | Carriage inwards | 2. | Discount allowed | 3. | Bad debts |
| 4. | Rent and rates | 5. | Lighting | 6. | Labour Welfare |
| 7. | Freight | 8. | Power | 9. | Advertisement |
| 10. | Insurance | | | | |

7. On 15th September 2024, the premises and stock of a firm was destroyed by fire but the Accounting records were saved. The following particulars are available:

| | ₹ |
|---|---|
| Stock on 01.04.2023 | 73,500 |
| Stock on 31.3.2024 | 81,900 |
| Purchase for the year 2023-24 | 3,98,000 |
| Sales for the year 2023-24 | 4,87,000 |
| Purchases from 01.04.2024 to 15.04.24 | 1,62,000 |
| Sales from 01.04.2024 to 15.09.24 | 2,31,200 |

The stock salvaged was ₹5,300. Show the amount of claim.

8. Bengaluru Malls has opened a new branch in Shivamogga for selling goods on cash basis from the following transactions. Prepare Branch A/c:

| | ₹ |
|---|---|
| Stock on 01.04.2023 | 2,00,000 |
| Stock on 31.03.2024 | 5,00,000 |
| Petty Cash balance on 31.03.2024 | 2,000 |
| Goods sent to Shivamogga Branch | 25,00,000 |
| Cash received from Debtors | 30,00,000 |
| Cash sent to Shivamogga Branch for rent and salary | 20,000 |
| Petty cash for Expenses | 5,000 |
| Plant on 1.4.2023 | 20,000 |
| Debtors on 1.4.2023 | 10,000 |

**Additional information:**

a. Depreciate Plant @ 10% per annum.

b. Debtors on 31.3.2024 ₹2,000.

9. From the following information, find out Credit Sales and Credit Purchases:

| | ₹ |
|---|---|
| Total Debtors on - 01.04.2023 | 14,750 |
| Total Creditors on 01.04.2023 | 8,970 |
| Cash received from Debtors | 57,450 |
| Discount allowed | 580 |
| Bad debts written off | 800 |
| Returns inwards | 1,150 |
| Bills realised from customer | 9,600 |
| Cash paid to creditors | 29,780 |
| Discount received from them | 430 |
| Return to suppliers | 520 |
| Bills issued to them | 6,450 |
| Total Debtors on 31.03.2024 | 13,890 |
| Total Creditors on 31.03.2024 | 9,450 |

## SECTION - C

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

10. What is Branch Accounting? Explain differences between Branch Accounting and Department Accounting.

11. From the following information prepare Departmental Trading and profit and loss Account of Mahalaxmi Traders:

| Particulars | Dept. A (₹) | Dept. B (₹) |
|---|---|---|
| Opening stock | 10,000 | 12,500 |
| Purchases | 1,20,000 | 1,40,000 |
| Sales | 2,20,000 | 2,60,000 |
| Purchase returns | 10,000 | 8,000 |
| Wages | 24,000 | 30,000 |
| Closing stock | 12,500 | 15,000 |
| Goods Transferred by A to B | - | 8,000 |
| Goods Transferred by B to A | 12,000 | - |

**Additional Information:-**

a) Services rendered by Department - B to Dept. A included in wages ₹600.

b) Discount allowed and received ₹2,400 and ₹2,200 are divided on the basis of sales and purchases.

c) Allocate the following expenditure in the ratio of 2:1.
General expenses ₹3,300, Salary ₹42,000 and Advertisement ₹2,400.

12. Preeti Stores Davangere has a Branch at Shivamogga. Goods are sent by the Head Office at Invoice price which is 25% above cost. From the following particulars, prepare Branch Account in the books of Head Office.

| | ₹ |
|---|---|
| **Balance as on 01.04.2023:** | |
| Stock | 22,000 |
| Debtors | 2,400 |

| | | |
|---|---|---|
| Petty Cash | | 200 |
| Goods sent to Branch | | 40,000 |
| **Expenses paid to Branch:** | | |
| Rent | 1,200 | |
| Wages | 400 | |
| Salary | 1,800 | 3,400 |
| **Remittances from Branch** | | |
| Cash Sales | | 5,300 |
| Cash from Debtors | | 42,000 |
| Goods returned by Branch | | 800 |
| Stock on 31.03.2024 | | 26,000 |
| Debtors on 31.03.2024 | | 4,000 |
| Petty Cash on 31.03.2024 | | 50 |

13. A fire accident occurred in the shop of Manohara on 15/12/2024. Calculate the loss from fire and the Fire Claim to be made to the Insurance Company:

| | ₹ |
|---|---|
| Stock on hand on 01.04.2023 | 30,600 |
| Purchases from 01.04.2023 to 31.03.2024 | 1,22,000 |
| Sales from 01.04.2023 to 31.03.2024 | 1,80,000 |
| Stock on hand on 31.03.2024 | 27,000 |
| Purchases from 01.04.2024 to 14.12.2024 | 1,47,000 |
| Sales from 01.04.2024 to 14.12.2024 | 1,50,000 |

Manohara had always valued the stocks on hand at 90% of cost price. Goods worth 18000 had been salvaged . He had taken Insurance Policy of ₹63,000 and subject to the Average clause.

14. Priya keeps her books on single entry. She has given you the following information:

| **Particulars** | **01.04.2023** | **01.03.2024** |
|---|---|---|
| | ₹ | ₹ |
| Furniture and fittings | 5,000 | 6,000 |
| Stock of goods | 3,000 | 1,000 |
| Sundry Debtors | 6,000 | 7,000 |
| Sundry Creditors | 2,000 | - |
| Prepaid Expenses | - | 200 |
| Unpaid Expenses | 600 | 1,000 |
| Cash in hand | 11,000 | 300 |

**Receipts and Payments during the year**

| | |
|---|---|
| Receipts from Debtors | 21,000 |
| Paid to creditors | 10,000 |
| Cartage on Purchases | 2,000 |
| Drawings | 12,000 |
| Sundry Expenses | 16,000 |
| Furniture purchased for cash | 1,000 |

Prepare Trading and P/L A/c for the year ended 31st March 2024 and Balance Sheet after providing for Bad debts at 10%.

* * *