Roll No											

PRESIDENCY UNIVERSITY

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Presidency University Act, 2013 of the Karnataka Act No. 41 of 2013 | Established under Section 2(f) of UGC Act, 1956
Approved by AICTE, New Delhi | Approved By BCI
Bengaluru

Even Semester End Term Examination, May / June 2026

Date: 21/05/2026		**Time: 09.30 AM - 12.30 PM**
Course Code: BCL2112	**Course Name: Financial Accounting II**	
Semester: Fourth Semester	**Max. Marks: 100**	**Weightage: 50%**

CO - Levels	CO1	CO2	CO3	CO4
Marks	34	38	70	38

Part A: Answer Following Questions. 20 M

Qn.No	Questions	M	CO	BT
1	What is the purpose of Bank Reconciliation Statement (BRS)?	2	CO1	BT1
2	(a)Cash Book shows a credit balance of ₹25,000. (b) Cheques issued but not presented ₹2,000. (c) Bank charges as per pass book Rs.500 Find the Pass Book balance	2	CO2	BT3
3	What is an Income and Expenditure Account?	2	CO2	BT1
4	How you record the follow transactions while preparing the final accounts for the year ended 31st March, 2019 in each of the following alternative cases? **Case I:** During the year ended 31st March, 2019, Entrance Fees received was Amount 1,00,000. **Case II:** During the year ended 31st March, 2019, donation for Construction if buildings of Rs. 20000	2	CO2	BT3
5	State the formula for Current Ratio and Stock turnover ratio	2	CO3	BT1
6	Working Capital ₹ 9,00,000, Current Liabilities ₹ 3,00,000. Calculate Current Ratio.	2	CO3	BT3
7	State any two provisions applicable in the absence of a Partnership Deed.	2	CO4	BT1
8	Anil and Binil sharing profits in the ratio of 3:2. they admit Sweta as a partner. Their new profit ratio is 5:3:2. Calculate the Sacrificing ratio.	2	CO4	BT3
9	Pass the necessary journal entries for goodwill brought in cash by a new partner.	2	CO4	BT3

10	Cost of goods sold Rs. 200000, Opening stock Rs.200000, closing stock of Rs. 400000. Determine the Stock Turnover ratio	2	CO3	BT3

Part B: Answer Any 1 Following Questions. 16 M

Qn.No	Questions	M	CO	BT
11.a	Explain the features of BRS	6	CO1	BT2
11.b	From the following details, prepare a bank reconciliation statement for M/s Kakadiya Fertilizers as on December 31, 2018. i) Balance as per cash book ₹ 200 ii) Cheques deposited but not yet collected by the bank ₹ 1,500 iii) Cheque issued to Mr. Arjun has not yet been presented for payment ₹ 2,500 iv) Bank charges debited in the pass book ₹ 200 v) Interest allowed by the bank ₹ 100 vi) Insurance premium directly paid by the bank as per standing instructions ₹ 500	10	CO1	BT3
12.a	Classify the following transactions by indicating whether they are recorded on the debit side or credit side of the Cash Book or Pass Book: (a) Cheque issued but not presented for payment (b) Cheque deposited but not yet collected (c) Interest on bank overdraft (d) Interest collected by the bank (e) Bank charges (f) Rent paid by the bank on standing instructions	6	CO1	BT3
12.b	From the following details, prepare a Bank Reconciliation Statement as on 30th June 2025: 1. Balance as per Pass Book ₹40,000 2. Cheques deposited but not collected ₹6,000 3. Cheques issued but not presented ₹4,500 4. Insurance premium paid by bank ₹1,200 5.Bank charges ₹300 6.Dividend directly credited by bank ₹800 Find the balance as per Cash Book.	10	CO1	BT3

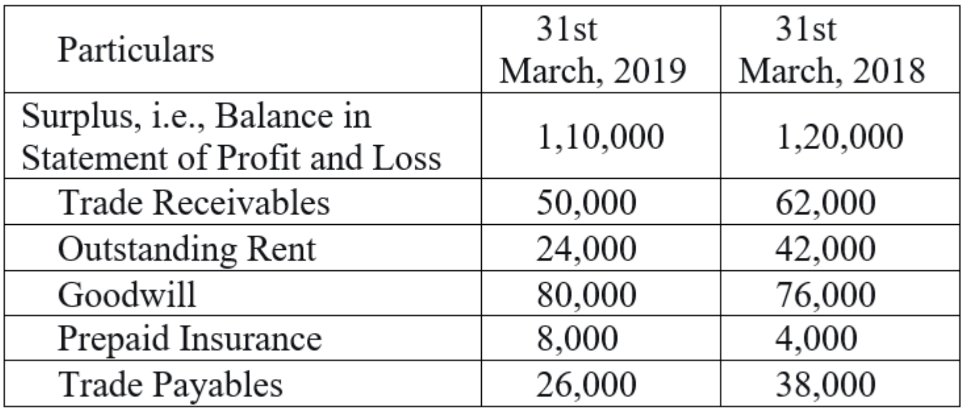
Part C: Answer Any 1 Following Questions. 16 M

Qn.No	Questions	M	CO	BT
13.a	Explain the features of Receipts and Payments account.	6	CO2	BT2

<table>
<tr><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>13.b</td><td>The following is the Receipts and Payments Account of the Osmania Association for the year ended 31st December, 2013.
<table>
<tr><th>Receipts (Dr.)</th><th>Amount</th><th>Payments (Cr.)</th><th>Amount</th></tr>
<tr><td>To Balance b/d</td><td>27,000</td><td>By Salaries</td><td>28,800</td></tr>
<tr><td>To Entrance fees</td><td>11,000</td><td>By Rent</td><td>1,70,800</td></tr>
<tr><td>To Donations</td><td>38,500</td><td>By Wages</td><td>12,670</td></tr>
<tr><td>To Subscriptions for 2012</td><td>18,000</td><td>By Printing</td><td>1,01,360</td></tr>
<tr><td>To Subscriptions for 2013</td><td>7,65,000</td><td>By Billiard Tables</td><td>3,58,000</td></tr>
<tr><td>To Subscriptions for 2014</td><td>18,000</td><td>By Repairs</td><td>48,690</td></tr>
<tr><td>To Interest</td><td>3,200</td><td>By Interest</td><td>55,800</td></tr>
<tr><td>To Locker Rent</td><td>11,200</td><td>By Furniture</td><td>18,000</td></tr>
<tr><td>To Dinner subscription</td><td>68,400</td><td>By Books</td><td>27,000</td></tr>
<tr><td></td><td></td><td>By Fixed Deposits</td><td>90,000</td></tr>
<tr><td></td><td></td><td>By Dinner expenses</td><td>52,200</td></tr>
<tr><td></td><td></td><td>By Balance c/d</td><td>73,980</td></tr>
<tr><td>Total</td><td>9,60,300</td><td>Total</td><td>9,60,300</td></tr>
</table>

Locker rent ₹ 2,700 related to 2012, prepaid rent ₹ 21,600. Outstanding subscriptions ₹ 14,400 for 2013. From the above information you are required to prepare an Income and Expenditure Account for the year ended 31st December, 2013.</td><td>10</td><td>CO2</td><td>BT3</td></tr>
<tr><td>14.a</td><td>Differentiate between Receipts and Payments account and Income and expenditure account</td><td>6</td><td>CO2</td><td>BT2</td></tr>
<tr><td>14.b</td><td>From the following items, identify whether each is Revenue Receipts or Capital Receipts: (1) Sale of land – ₹ 2,00,000 (2) Additional capital introduced by owner – ₹ 3,50,000 (3) Loan received from bank – ₹ 1,50,000 (4) Sale of old equipment – ₹ 25,000 (5) Donation received for building construction – ₹ 75,000 (6) Interest received on bank deposit – ₹ 8,000 (7) Membership fees received – ₹ 12,000 (8) Dividend received on shares – ₹ 6,000 (9) Sale of scrap materials – ₹ 1,000 (10) Commission earned – ₹ 4,000</td><td>10</td><td>CO2</td><td>BT3</td></tr>
</table>

<table>
<tr><th colspan="5">Part D: Answer Any 1 Following Questions. 16 M</th></tr>
<tr><th>Qn.No</th><th>Questions</th><th>M</th><th>CO</th><th>BT</th></tr>
<tr><td>15.a</td><td>Explain the importance of Cash flow statement</td><td>6</td><td>CO3</td><td>BT2</td></tr>
<tr><td>15.b</td><td></td><td>10</td><td>CO3</td><td>BT3</td></tr>
</table>



Particulars	31st March, 2019	31st March, 2018
Surplus, i.e., Balance in Statement of Profit and Loss	1,10,000	1,20,000
Trade Receivables	50,000	62,000
Outstanding Rent	24,000	42,000
Goodwill	80,000	76,000
Prepaid Insurance	8,000	4,000
Trade Payables	26,000	38,000

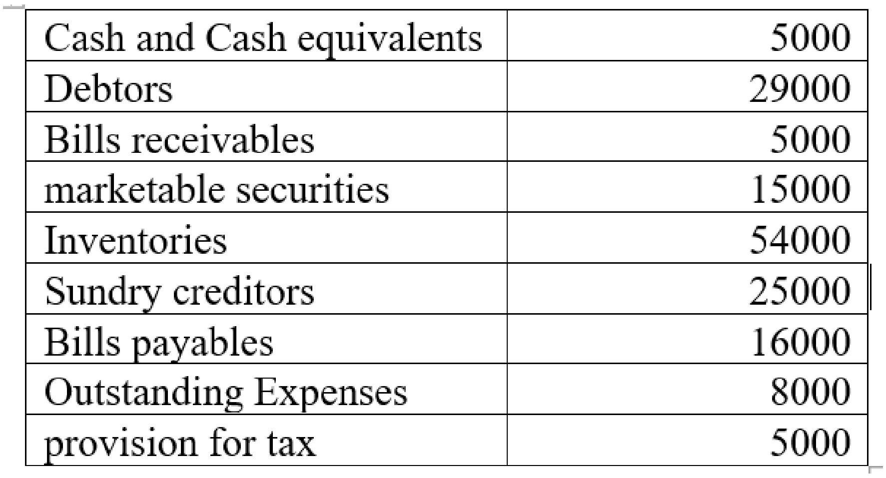
Calculate Cash Flow from Operating Activities

16.a	Discuss the limitations of Ratio analysis	6	CO3	BT2
16.b	Identify the following transactions belonging to (i) Operating Activities (ii) Investing Activities, (iii) Financing Activities: 1. Cash Sales 2. Income Tax Paid 3. Office Expenses 4. Dividend Paid 5. Sale of Machines by a dealer of Motor Vehicles; 6. Issue of Debentures 7. Purchase of Machinery 8. Issue of Share Capital 9. Sale of Patents 10. Purchase of Goodwill	10	CO3	BT3

Part E: Answer Any 1 Following Questions. 16 M

Qn.No	Questions	M	CO	BT
17.a	Define partnership firm. Explain the features of partnership firm	6	CO4	BT2
17.b	Amit and Sumit commenced business as partners on April 1, 2000. Amit contributed Rs. 40,000 and Sumit Rs. 25,000 as their share of capital. The partners decided to share their profits in the ratio of 2:1. Amit was entitled to a salary of Rs. 6,000 p.a. Interest on capital was to be provided @ 6% p.a. The drawings of Amit and Sumit for the year ending March 31, 2001 were Rs. 4,000 and Rs. 8,000, respectively. The profits of the firm after providing Amit's salary and interest on capital were Rs. 12,000. Draw up the Capital Accounts of the partners: (i) When capitals are fixed.	10	CO4	BT3
18.a	Explain in detail the Fixed Capital Method and the Fluctuating Capital Method for partners' capital accounts.	6	CO4	BT2
18.b	Explain the various methods of treatment of goodwill on admission of a partner.	10	CO4	BT3

Part F: Answer Any 1 Following Questions. 16 M

<table>
<tr><th>Qn.No</th><th>Questions</th><th>M</th><th>CO</th><th>BT</th></tr>
<tr><td>19.a</td><td>Sana Ltd. has furnished following information regarding its financial position.
<table>
<tr><td>Cash and Cash equivalents</td><td>5000</td></tr>
<tr><td>Debtors</td><td>29000</td></tr>
<tr><td>Bills receivables</td><td>5000</td></tr>
<tr><td>marketable securities</td><td>15000</td></tr>
<tr><td>Inventories</td><td>54000</td></tr>
<tr><td>Sundry creditors</td><td>25000</td></tr>
<tr><td>Bills payables</td><td>16000</td></tr>
<tr><td>Outstanding Expenses</td><td>8000</td></tr>
<tr><td>provision for tax</td><td>5000</td></tr>
</table>Calculate (1) Current ratio , (2) Acid test ratio and (3) Absolute quick ratio</td><td>6</td><td>CO3</td><td>BT3</td></tr>
<tr><td>19.b</td><td>Explain and Classify the Various Types of Ratios used for Financial Performance Analysis</td><td>10</td><td>CO3</td><td>BT2</td></tr>
<tr><td>20.a</td><td>(a) Revenue from operations i.e., 6,00,000 ; Net Profit Rs.60,000 .Calculate Net Profit ratio
(b) Operating cost Rs.3,40,000 ; Grpfit Ratio 20%; Operating Expenses Rs.20,000. Calculate Operating Profit Ratio</td><td>6</td><td>CO3</td><td>BT3</td></tr>
<tr><td>20.b</td><td>Opening Inventory ₹ 80,000; Purchases ₹ 4,30,900; Direct Expenses ₹ 4,000; Closing Inventory ₹ 1,60,000; Administrative Expenses ₹ 21,100; Selling and Distribution Expenses ₹ 40,000; Revenue from Operations, i.e., Net Sales ₹ 10,00,000. Calculate: (i) Inventory Turnover Ratio; (ii) Gross Profit Ratio; and (iii) Operating Ratio.</td><td>10</td><td>CO3</td><td>BT3</td></tr>
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