

Reg. No. :

Name :

Fourth Semester B.Com. Degree Examination, August 2022

First Degree Programme under CBCSS

Core Course

CO 1443/CC 1444 : CORPORATE ACCOUNTING

(Common for Commerce/Commerce with Computer Application)

(2018 Admission)

Time : 3 Hours

Max. Marks : 80

SECTION – A

Answer **all** the questions in **one** or **two** sentences each. Each question carries **1** mark.

1. What are Non-performing assets?
2. Expand IFRS.
3. Define 'Bonus Shares'.
4. What is meant by 'Reissue of Shares'?
5. Explain the term 'Life Assurance Fund'.
6. What is slip system of accounting?
7. State the meaning of 'Surrender value'.
8. Define 'Company'.

9. Name the types of companies on the basis of incorporation.
10. What do you mean by statutory reserves?

(10 × 1 = 10 Marks)

SECTION – B

Answer any **eight** questions in not exceeding one paragraph each. Each question carries **2** marks.

11. State the procedure for Internal Reconstruction.
12. What are contingent assets?
13. Write a short note on 'Reversionary Bonus'.
14. Distinguish money at call from money at short notice.
15. What is Rebate on Bills discounted?
16. How is profit or loss determined in Fire Insurance Business?
17. List out the important characteristics of a company.
18. Briefly explain the concept of 'Minimum Subscription'.
19. What do you understand by Interim Dividend?
20. What is Corporate Dividend Tax?
21. Is there any difference between paid up capital and called up capital?
22. Briefly explain the principle of 'Revenue Recognition'.

(8 × 2 = 16 Marks)

SECTION – C

Answer any **six** questions in not exceeding **120** words each. Each question carries **4** marks.

23. State the difference between Basic EPS and Diluted EPS.
24. Give the main divisions of Share Capital.
25. The Hindustan Manufacturing Limited had a total subscribed capital of Rs. 10,00,000 in equity shares of Rs. 10 each of which Rs. 7.50 called up. A final call of Rs. 2.50 was made and all amounts paid except the two calls of Rs. 2.50 each in respect of 100 shares held by D.Roy. These shares were forfeited and reissued at Rs. 8 per share. Pass journal entries to record forfeiture and reissue of shares.

26. Following is an extract from the Trial Balance of a Bank as at 31st March, 2010 :

	Rs.	Rs.
Bill discounted	51,50,000	
Rebate on bills discounted not yet due, April 1, 2009		30,501
Discount Received		1,45,500

An analysis of the bills discounted as shown above the shows the following :

Date of bills	Amount	Term Months	Discounted @ % p.a.
Jan 13	7,50,000	4	12
Feb 17	6,00,000	3	10
March 6	4,00,000	2	11
March 16	2,00,000	2	10

Find out the amount of discount received to be credited to Profit and Loss Account.

27. From the following particulars, prepare profit and loss account of the safety bank for the year ended 31st March, 2010 :

Particulars	Amount	Particulars	Amount
Interest on deposits	3,200	Discount on Bills discounted	1,490
Commission (Cr.)	100	Interest on overdrafts	1,600
Interest on loans	2,490	Interest on cash credits	2,320
Sundry charges (Dr.)	100	Auditors fees	35
Rent and Taxes	200	Directors fees	16
Payment to Employees	500	Bad debts to be written off amounted to	300

28. Calculate the net claim to be shown in Revenue Account of an Insurance company :

Particulars	Amount
Claims paid during year ended 31-03-2010	5,60,000
Claims outstanding on 01-04-2009	52,000
Claims outstanding on 31-03-2010	92,000
Claims covered under reinsurance	25,000

29. Explain the main features of a bank's accounting system.
30. Distinguish between forfeiture of shares and reissue of shares.
31. Briefly explain 'AS-20'.

(6 × 4 = 24 Marks)

SECTION – D

Answer any **two** questions in not exceeding **four** pages each. Each question carries **15** marks.

32. Elucidate the importance and limitations of Accounting Standards.
33. RJ Ltd. Has an equity share capital of Rs. 2,00,00,000 consisting 2,00,000 shares of Rs. 100 each. It is resolved and sanction of the court has been obtained.
- (a) To sub-divide the equity shares into fully paid equity shares of Rs. 10 each.
- (b) 80% of shares to be surrendered to the company.
- (c) 8,00,000 of the surrendered shares to be issued to 10% debentures of Rs. 1,00,00,000 in full settlement of their claim.

- (d) 4,00,000 of the surrendered shares to be issued as fully paid to creditors of Rs. 50,00,000.
- (e) The balance of surrendered shares to be cancelled.
- (f) To write off debit balance in profit and loss account Rs. 64,00,000; Goodwill Rs. 76,00,000; Preliminary Expenses Rs. 30,00,000 and balance to be transferred to capital reserve. Give entries to implement the scheme.
34. Give a specimen form of Balance Sheet and Profit and Loss Account of a company according to Companies Act.
35. Following is the trial balance of Lakshmi Co. Ltd. As at 31st March, 2010 :

Particulars	Amount	Amount
Stock on 31 st March, 2009	75,000	
Sales		3,50,000
Purchases	2,45,000	
Wages	50,000	
Discount		5,000
Furniture and Fittings	17,000	
Salaries	7,500	
Rent	4,950	
Sundry Expenses	7,050	
Profit and Loss Appropriation A/c (31.03.2009)		15,030
Dividends paid	9,000	
Share Capital		1,00,000
Debtors and Creditors		17,500
Plant and Machinery	37,500	
Cash and Bank	29,000	
Reserve	16,200	15,500
Patents and Trademark	4,830	

Prepare Trading account, Profit and Loss A/c, Profit and Loss Appropriation A/c for the year ended 31st March 2010 and Balance sheet as at that date.

Adjustments :

- (a) Stock on 31st March, 2010 was valued at Rs. 82,000
- (b) Depreciation on Fixed assets @ 10%.
- (c) Make a provision for income tax @ 50%.
- (d) Provide Corporate Dividend Tax @ 10%.

(2 × 15 = 30 Marks)