

B.Com. (BIM) Degree Examinations - Even Semester 2021
II Year IV Semester
Advanced Corporate Accounting

Max Marks: 25

Answer any Five questions (5 * 5 = 25)

1. Write Short notes on:

- a) Holding Company b) Subsidiary Company c) Capital Dividend d) Minority Interest

2. Give the specimen schedule for Balance sheet of a Commercial Bank.

3. The following list of reconstruction has been approved for B Ltd.

- a) The shareholders to receive in lieu of their present holding of 1,00,000 shares of Rs.10 each, the following:
- i. Fully paid equity shares equal to 2/5 of their building
 - ii. 10% preference shares ,fully paid ,to the extent of 1/5 of the above new equity shares; and
 - iii. Rs.1,20, 000 14% secured debentures.
- b) An issue of Rs. 1,00,000 12% first debentures was made and allotted, payment for the same being received in cash forthwith.
- c) Goodwill which stood at Rs. 50,000 was completely written off.
- d) Plant And Machinery which stood at Rs. 2,00,000 was written down to Rs.75,000
- e) Freehold and lease hold premises which stood at Rs.2,50,000 were written down to Rs.1,50,000.

Give journal entries in the books of the company necessitated by the above reconstruction.

4. Ganguly Ltd was formed with an authorised capital of Rs. 12,00,000 dividend into equity shares of Rs. 10 each, to acquire the business of 'A' and 'B' whose balance sheet on the date of acquisition was as follows:

Liabilities	Rs.	Assets	Rs.
Capital	6,00,000	Freehold premises	7,00,000
General Reserve	4,00,000	Stock	2,00,000
Sundry Creditors	2,00,000	Sundry Debtors	1,60,000
		Less: Provision for Bad Debts	10,000
		Cash at Bank	1,50,000
	<u>12,00,000</u>		<u>12,00,000</u>

The Purchase consideration was agreed upon at Rs. 14,00,000 to be paid in- Rs. 12,00,000 fully paid equity share at Rs. 11 and the balance in cash.

Give journal entries to record the above

5. The following are the Balance Sheets of H Ltd. and R Ltd. as at 31.3.2018.

Liabilities	H Ltd. Rs.	R Ltd. Rs.	Assets	H Ltd. Rs.	R Ltd. Rs.
Equity share capital, Rs. 10 each	2,00,000	1,20,000	Goodwill	-	20,000
Profit & Loss A/c	1,10,000	1,00,000	Fixed Assets	1,40,000	1,30,000
Current Liabilities	1,00,000	80,000	Current Assets	1,60,000	1,50,000
			9,000 shares in R Ltd. at cost	1,10,000	-
	4,10,000	3,00,000		4,10,000	3,00,000

9,000 shares in R Ltd. were acquired by H Ltd. on 1.4.17 on which date R Ltd. had Rs. 30,000 in its Profit & Loss A/c. Write off Rs. 20,000 from the fixed assets of R Ltd. out of the current year's profits.

Prepare consolidated Balance Sheet as on 31.03.2018

6. From the following balances prepare the P & L A/c of Canara Bank, in the revised format;

Particulars	Rs.	Particulars	Rs.
Interest Received	5,42,260	Interest on deposits	1,60,520
Discount Received	2,43,760	General expenses	1,82,420
Commission received	44,240	Bad Debts	1,28,710

Note: Rebate on bills discounted Rs. 64,380.

7. The following figures relate to Life Insurance Corporation for the year ended 31.3.2016. Prepare the Revenue A/c.

	(Rs. '000)		(Rs. '000)
Claims	39	Consideration for annuities granted	16.5
Management expenses	14	Surrenders	9
Director's fees	4	Premium received	151
Audit fees	3	Life fund (1.4.2005)	1150
Medical expenses	0.5	Interest received	40
Agent's Commission	5	Rent Received	10
Depreciation	4	Claims cancelled	0.5
Bonus in reduction of premium	1.5	Annuities	1.5

Additional Information:

- Premium outstanding Rs. 9 Thousand
- Claims outstanding Rs. 3 Thousand.