

**SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN
(AUTONOMOUS)**

**(Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)
Chromepet, Chennai — 600 044.**

B.Com.(CS) END SEMESTER EXAMINATIONS APRIL-2022

SEMESTER - IV

14UBCCT4A09 & UBC/CT/4009 - Corporate Accounting - II

Total Duration : 3 Hrs.

Total Marks : 60

Section A

Answer any **SIX** questions ($6 \times 5 = 30$ Marks)

1. Bring out the Objectives of human resource accounting.
2. What is meant by non-performing assets?
3. X Ltd agrees to purchase the business of Y Ltd on the following terms:
 - a. For each of the 10,000 shares of Rs.10 each in Y Ltd. 2 shares in X Ltd of Rs.10 each will be issued at an agreed value of Rs.12 per share. In addition, Rs.4 per share cash also will be paid.
 - b. 8% Debentures worth Rs.80,000 will be issued to settle the Rs.60,000 9% Debentures in Y Ltd.
 - c. Rs.10,000 will be paid towards expenses of winding up.

Calculate the purchase consideration.

4. From the following particulars, calculate the remuneration payable to liquidator:
 - (a) Amounting available for distribution to unsecured creditors before paying liquidator's remuneration: 2,80,800
 - (b) Liquidator's remuneration: 2% on the amount paid to unsecured creditors.
5. Compute the net premium to be credited to Revenue A/c from the following data:

Particulars	Rs.
Premium received during the year ended 31.3.06	16,00,000
Reinsurance premium paid	5,40,000
Reinsurance premium received	6,20,000
Bonus in reduction of premium (not yet adjusted)	20,000

6. What is absorption? Explain.
7. Brief about the different methods of inflation accounting.
8. Explain any one method of winding up of a company.

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Section B

Answer any **THREE** questions ($3 \times 10 = 30$ Marks)

9. Define Financial reporting. Explain its importance.
10. Prepare from the following a Life insurance revenue A/c and Balance Sheet as on 31.3.2012.

Particulars	Rs.	Particulars	Rs.
Claims by death	16,890	O/S interest on Advances (31.3.2012)	1,944
Agent's salaries & allowances	6,420	Bonus paid with claims	2,700
Surrender values paid	2,810	Endowment assurance Matured	24,415
Actuarial expenses	1,520	Annuities paid	1,350
Premiums	94,836	Interest revenue	19,060
Commission to agents	8,900	Rent, rates & taxes	5,475
Salaries	13,500	General charges	1,860
Medical fees	1,200	Fees received	172
Travelling expenses	1,800	Bonus paid in cash	2,825
Director's fees	900	Advertisement	726
Agents balances	750	Consideration for annuities granted	12,853
Claim expenses	1,432	Printing and stationery	650
Premium O/S (1.4.2011)	2,134	Claims O/S (1.4.2011)	2,376
Premium O/S (31.3.2012)	3,143	Claims O/S (31.3.2012)	3,735
Investments	1,46,700	Loans on policies	38,300
Share capital	2,00,000	Loans on mortgages	2,90,560
Sundry creditors	9,200	Freehold premises	1,22,600
Life assurance fund (1.4.2011)	3,53,672	Furniture & fittings	64,100
Reserve fund	1,46,000	Cash on hand & deposits	76,300

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11. From the following details, prepare the Profit and Loss Account of the Punjab Bank Ltd., for year ended 31.12.80.

Particulars	Rs.
Interest paid on deposits and borrowings	2,40,000
Interest and discount	7,48,000
Rent received	36,000
Net profit on sale of investments	2,700
Salaries, allowances, bonus and provident fund	2,10,000
Commission, exchange and brokerage	1,20,000
Legal charges	12,000
Audit fees	5,000
Director's and local committee members fees	2,400
Printing and stationery	6,400
Miscellaneous expenditure	12000
Telephone, stamps and postage	44,000
Advertising	9,000
Insurance and lighting	7,400
Bad debts	34,500
Rent paid	48,000

Opening balances on unexpired discount and reserve for bad and doubtful debts were Rs.48,000 and Rs.24,000 respectively. Closing balances required on these amounts are Rs.54,000 and 36,000 respectively. Provide 60% taxation on current profits.

The chairman and managing director has been paid a salary of Rs.2,400 p.m. and has been provided free quarters and a motor car perquisites valued at Rs.6,000 p.a.

12. A Ltd and B Ltd agreed to amalgamate on the basis of the following Balance Sheets as on 31.3.1997.

Liabilities	A (Rs.)	B (Rs.)	Assets	A (Rs.)	B (Rs.)
Share capital			Goodwill	30,000	-
Rs. 25 each	75,000	50,000	Fixed assets	31,500	38,800
P & L A/c	7,500	2,500	Stock	15,000	12,000
Creditors	3,500	3,500	Debtors	8,000	5,200
Depreciation fund	-	2,500	Bank	1,500	2,500
	86,000	58,500		86,000	58,500

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The assets and liabilities are to be taken over by a new company formed called C Ltd., at book values. C Ltd's capital is 2,00,000 divided into 10,000 equity shares of Rs.10 each and 10,000 9% preference shares of Rs.10 each.

C Ltd issued the equity shares equally to the vendor companies and preference shares were issued for any balance of purchase price.

Pass journal entries in the books of C Ltd and prepare its Balance Sheet, if the amalgamation is in the nature of purchase.

13. The following particulars relate to a limited company which went into voluntary liquidation:

Particulars	Rs.
Preferential creditors	25,000
Unsecured creditors	58,000
6% debentures	30,000

The assets realised Rs.80,000. The expenses of liquidation amounted to Rs.1,500 and the liquidator's remuneration was agreed at $2\frac{1}{2}\%$ on the amount realised and 2% on the amount paid to unsecured creditors including preferential creditors. Show the liquidator's final statement of account.
