

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.(A&F) END SEMESTER EXAMINATIONS NOVEMBER -2023
SEMESTER - IV

20UAFCT4009 - Advanced Corporate Accounting

Total Duration : 2 Hrs 30 Mins.

Total Marks : 60

Section B

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

- Describe the different methods of calculating purchase consideration.
- The following is the Balance sheet of S Ltd., as on 31st March, 2010.

Liabilities	Rs.	Assets	Rs.
Share capital		Fixed Assets	2,90,000
Equity shares of Rs.10 each	2,70,000	Investment	2,75,000
General Reserve		Current Assets	1,30,000
Profit & Loss A/c	3,60,000	Preliminary Expenses	20,000
Current liabilities	85,000		
	7,15,000		7,15,000

H Ltd., acquired 25,000 shares in S Ltd., on 31st March, 2010 at a cost of Rs.2,75,000. Fixed assets were revalued at Rs.3,28,000. Find minority interest.

- From the following particulars, prepare Profit and Loss account of DSB Bank for the year ended 31st March, 2016

Details	Rs.	Details	Rs.
Interest earned	37,00,000	Operating expenses	4,75,000
Other income	4,55,000	Provisions and contingencies	3,00,000
Interest Expended	20,00,000	Transfer to proposed dividend	1,00,000

- What is general insurance? State the major types of general insurance.
- A liquidator is entitled to receive remuneration @ 2% of the assets realized and 3% on the amount distributed among the unsecured creditors. The assets realized Rs.70,00,000 against which payment was made as follows;
Liquidation expenses Rs.50,000; Preferential creditors Rs.1,50,000 and Secured creditors Rs.40,00,000; Unsecured creditors Rs.30,00,000. Calculate the total remuneration payable to the liquidators.
- Marshall Ltd., has share capital of Rs.5,00,000 divided into 5,000 shares of Rs.100 each fully paid. Prepare the entries under each of the following conditions: (i) When Marshall Ltd., resolves to subdivide the shares into 50,000 shares of Rs.10 each fully paid. (ii) When Marshall Ltd., resolves to convert its 5,000 shares of Rs.100 each into Rs.5,00,000 worth of stock.
- The details relating to claims are given below. Calculate the net claim to be shown in the Revenue account for the year ended 31.3.2016.

Claims paid for the on 31.3.2016.	9,00,000
Claims intimated but not accepted on 31.3.2016.	50,000
Claims intimated accepted but not paid on 31.3.2016	60,000
Medical expenses regarding claims	20,000
Legal expenses regarding claims	30,000
Reimbursement recoveries	40,000

Contd...

8. The Ultra Optimist went into liquidation. Its assets realized Rs.3,50,000 excluding amount realized by sale of securities held by the secured creditors. Ascertain, liquidator's final statement of account.

	Rs.
Share Capital : 1,000 shares of Rs.100 each	1,00,000
Secured Creditors (Securities realized Rs.40,000)	35,000
Preferential Creditors	6,000
Unsecured Creditors	1,40,000
Debentures having floating charge	2,50,000
Liquidation Expenses	5,000
Liquidator's Remuneration	7,500

Section C

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

9. A Ltd., and B Ltd., have agreed to amalgamate. A new company AB Ltd., has been formed to take over the combined concern as on 31st March 2016. After negotiations, the value of assets and liabilities of the two companies have been agreed as shown in the following balance sheet. Prepare the purchase consideration payable to A and B Ltd.,

Liabilities	A Ltd.,	B Ltd.,	Assets	A Ltd.,	B Ltd.,
Equity Shares capital of Rs.10 each	10,00,000	5,00,000	Good will	-	50,000
Sundry creditors	80,000	50,000	Plant & Machinery	2,00,000	2,50,000
Reserve fund	-	50,000	Land & Buildings	5,00,000	3,00,000
Profit and Loss A/c	50,000	50,000	Stock	1,50,000	20,000
			Sundry debtors	1,20,000	20,000
			Cash at bank	50,000	10,000
			Patents	1,10,000	—
	11,30,000	6,50,000		11,30,000	6,50,000

10. Balance Sheets of H Ltd., and S Ltd., as at 31st March 2016 are given below.

Liabilities	H Ltd.,	S Ltd.,	Assets	H Ltd.,	S Ltd.,
Share Capital	5,00,000	2,00,000	Fixed Assets Investment (60% shares in S Ltd., which acquired on 31.3.2016)	3,00,000	1,00,000
Reserves	1,00,000	50,000	Current Assets	1,62,400	2,04,000
Creditors	80,000	60,000	Preliminary Expenses	2,17,600	6,000
	6,80,000	3,10,000		6,80,000	3,10,000

On 31st March 2016, S Ltd., revalued its fixed assets at Rs.1,10,000. Analyze and create the consolidated Balance sheet of H Ltd., and its Subsidiary S Ltd., as at 31st March 2016.

11. From the following particulars, prepare Profit and Loss account of G Bank for the year ended 31st March 2016.

Details	Rs.	Details	Rs.
Interest on fixed deposits	28,000	Payments to employees	5,000
Interest on savings deposits	4,500	Discount on bills discounted	14,900
Commission (Cr)	900	Interest on overdrafts	16,000
Locker rent	100	Interest on cash credits	23,200
Interest on loans	24,900	Auditors fees	350
Salary charge(Dr.)	1,000	Directors fees	150
Rent and taxes	2,000	Bad debts to be written off	3,000

12. Compute the net premium to be shown in the Revenue A/c of LIC.

	Rs.
Premium received during the year 2015 - 2016	18,00,000
Accrued Premium	1,00,000
Reinsurance Premium Received	5,00,000
Reinsurance Premium Paid	2,00,000
Bonus in reduction of premium (not yet adjusted)	3,00,00

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

Preferential creditors	25,000
Unsecured creditors	58,000
6% debentures	30,000

The assets realized 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 realized and 2% on the amount paid to unsecured creditors including preferential creditors. Assess the liquidator's final statement of account.
