

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 - 2024

SEMESTER - IV

21UBCCT4009 - Corporate Accounting - II

Total Duration : 2 Hrs. 30 Mins.

Total Marks : 60

Section B

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

1. Explain the objectives of Human Resource Accounting.
2. On 31.03.2022, Bharat Commercial Bank Ltd., compute its advances classified as follows:

	Rs.
Standard Assets	14,91,300
Sub Standard Assets	92,800
Doubtful Assets (Secured)	
: Doubtful for one year	25,660
: Doubtful for 1 year to 3 years	15,640
: Doubtful for more than 3 years	6,580
Loss Assets	10,350

Calculate the amount of provision to be made by the bank against the above-mentioned advances.

3. From the following particulars, Prepare the Fire Revenue A/c for the year ended Dec '2022.

Particulars	Amount (Rs.)
Claims Paid	1,26,900
Premiums Received	5,46,000
Reinsurance Premiums	24,000
Commission	32,400
Expenses for Management	89,500
Provisions for unexpired Risk (1.1.2022)	3,86,916
Claims unpaid on 1.1.2-22	10,500
Claims unpaid on 31.12.2022	15,700

Provide 50% of Net Premium against unexpired risk.

4. A liquidator is entitled to receive remuneration @2% of the assets realised and 3% on the amount distributed among the unsecured Creditors. The assets realised 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
Prepare the total remuneration payable to the liquidator.
5. Explain Life Insurance with its type.
6. Compute the difference between Life Insurance and General Insurance.

Contd...

7. On 31.12.2023, a bank held the following bills, discounted by it earlier:

Date of Bill 2023	Term of Bill (Months)	Discounted @% p.a	Amount of Bill (Rs.)
January 20	4	17	7,30,000
February 07	3	18	14,60,000
March 09	3	17.5	3,64,000

You are required to calculate the rebate on bills discounted. Also show the necessary journal entry for the rebate.

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

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.

Ascertain the liquidator's final statement of account.

Section C

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

9. Explain the Provisions of AS-I" Disclosures of Accounting Policies".
10. The Revenue A/c of a Life insurance Company showed the life fund at Rs.89,46,725 as on 31.12.2020 before considering the following items:

Claims intimated but not admitted	68,700
Bonus utilised in reduction premium	12,100
Interest Accrued on Investment	22,450
Outstanding Premiums	24,000
Claims Covered under re-insurance	42,250
Provision for taxation	19,000

Prepare Journal entries giving effect to the above Adjustments and show the Adjusted Life Fund.

11. The books of Jai Prakash Insurance Ltd., Contain the following information in respect of Fire Insurance as on 31.03.2021

Particulars	Rs. In Thousands	Particulars	Rs.
Provisions for unexpired risks (1.4.2020)	80,000	Refund of double Taxation	600
Estimated Liability in respect of Outstanding Claims :		Management Expenses	55,000
1.4.2020	10,000	Interest & Dividends	8,000
31.3.2021	15,000	Legal Expenses regarding Claims	1,500
Medical expenses regarding Claims	1,000	Profit on sale of Investments	1,750
Reinsurance Premium	14,500	Additional Reserve on 31.3.20	60,000
Reinsurance recoveries	1,500		
Premiums	1,90,000		
Commission on direct Business	25,000		
Commission on reinsurance ceded	3,000		
Commission on reinsurance accepted	1,000		

Additional Reserve is to be increased by 10% of the net Premium income.

Prepare Revenue A/c keeping the reserve for unexpired risks at 50% of Premium income.

12. From the following information relating to Lakshmi Vilas Bank., Prepare the profit & loss A/c for the year ended 31.12.2022

Particulars	Rs.	Particulars	Rs.
Rent received	72,000	Salaries and Allowances	2,18,800
Exchange and Commission	32,800	Postage	5,600
Interest on fixed deposit	11,00,000	Sundry Charges	4,000
Interest on savings banks a/c	2,72,000	Director's & Auditor fees	16,800
Interest on Overdrafts	2,16,000	Printing	8,000
Discount on bills discounted	7,80,000	Law Charges	3,600
Interest on current accounts	1,68,000	Locker rent	1,400
Interest on cash credits	8,92,000	Transfer Fees	2,800
Depreciation on bank property	20,000	Interest on loans	10,36,000

13. The following particulars relate to a limited company which has gone into voluntary liquidation. you are required to evaluate the liquidator's final accounts allowing for his remuneration @3% on the amount realised and 2.5 % on the amount paid to the unsecured creditors

Share Capital Issued:

5000 preference Shares of Rs.100 each (Fully Paid).

30,000 equity shares of Rs.10 each fully paid.

12,000 equity shares of Rs.10 each, Rs,8 paid up.

Assets realised Rs.9,24,000 excluding amount realised by sale of securities held by the secured creditors.

	Rs.
Preferential Creditors	24,000
Unsecured Creditors	8,51,094
Secured Creditors (Security realised Rs.1,62,000)	1,38,000
Debentures having a floating charge on the assets	3,00,000
Expenses of liquidation amounted to	Rs.9,000

A call of Rs.2 per share on the partly paid equity shares was duly except in case of one shareholder owning 1,200 shares
