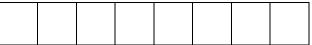
Reg.	No



G. VENKATASWAMY NAIDU COLLEGE (AUTONOMOUS), KOVILPATTI – 628 502.



UG DEGREE END SEMESTER EXAMINATIONS - NOVEMBER 2024.

(For those admitted in June 2023 and later)

PROGRAMME AND BRANCH: B.COM.

SEM	CATEGORY	CATEGORY COMPONENT		COURSE TITLE	
III	PART – III	CORE-5	U23CO305	CORPORATE ACCOUNTING - I	

Date &	& Sessio	n:09.11	1.2024 / AN Time: 3 hours Maximum: 75 Marks				
Course	Bloom's K-level	Q. No.	<u>SECTION - A (10 X 1 = 10 Marks)</u> Answer <u>ALL</u> Questions.				
CO1	K1	1.	Share allotment account is. a) personal account b) real account c) impersonal account d) nominal account				
CO1	K2	2.	If the whole of the issue of shares or debentures is underwritten it is known as. a) partial underwriting b) incomplete underwriting c) complete underwriting d) nominal underwriting				
CO2	K1	3.	Transfer to capital redemption reserve can be made from. a) capital reserve b) forfeited shares account c) general reserve d) securities premium account				
CO2	K2	4.	Debentures are shown under the following heading in a company's balance sheet. a) secured loan b) unsecured loan c) share capital d) current liabilities				
CO3	K1	5.	Preliminary expenses written off is shown in the statement of profit and loss under. a) Employees benefit expenses b) Other expenses c) Finance costs d) Depreciation and Amortisation expenses				
CO3	K2	6.	Dividend is paid on. a) Authorised capital b) Issued capital c) Called up capital d) Paid up capital				
CO4	K1	7.	Goodwill is. a) tangible assets b) intangible assets c) fictitious assets d) preliminary expenses				
CO4	K2	8.	Under Net assets method, the value of a share depends on the amount that would be. a) preference shareholders b) equity shareholders c) creditors d) debentureholders				
CO5	K1	9.	Valuation of inventories are discussed under which accounting standard? a) AS - 8 b) AS - 4 c) AS - 5 d) AS - 2				
CO5	K2	10.	Amortisation of an intangible asset means. a) purchasing asset b) selling asset c) recording the asset in books d) writing off over estimated				
Course	Bloom's K-level	Q. No.	$\frac{\text{SECTION} - B}{\text{Answer }} \text{ (5 X 5 = 25 Marks)}$ Answer $\frac{\text{ALL }}{\text{Questions choosing either (a) or (b)}}$				
CO1	К3	11a.	The directors of Z Co. Ltd. forfeit 10 shares of Rs.50 each belonging to 'Karthick' who had paid Rs.5 per share on application Rs.10 on allotment and Rs.15 on first call but failed to pay the final call of Rs.20. The same shares are then reissued to 'Raj' as fully paid on receipt of Rs.400. Write the Journal entries to record the forfeiture and the reissue of shares. (OR)				
CO1	К3	11b.	A company issues 10,000 equity shares of Rs.10 each at par. The issue was underwritten by K& Co. for maximum commission permitted by law. The public applied for and received 8,000 shares. Give journal entries in the company's books.				

CO2	КЗ	12a.	The following are the details taken from the records of B Limited on June 30, 2009: Share Capital: Rs.				
			Equity shares (fully paid up) 6,00,000				
			Preference Shares (fully paid up) 3,00,000				
			General reserve 2,00,000				
			Profit and loss account (Credit balance) 1,25,000				
			Share Premium account 50,000				
			The company decided to redeem the preference shares at a premium of 10% out				
			of its General reserve and Profit and Loss account. Give Journal entries relating to				
			redemption of preference shares.				
000	1/2	12b.	(OR) Excel limited made the following issues of debentures on 1.4.2020				
CO2	КЗ	120.	1. 200 10% debentures of Rs.100 each to settle a creditor who supplied a				
			machine on credit some time ago at a price of Rs.18,000				
			2. 300 10% debentures of Rs.100 each for cash at a discount of 5%				
			3. 1,000 10% debentures of Rs.100 each to the bankers as collateral security for				
			a loan of Rs.80,000				
			All the above issues are redeemable at par. Pass journal entries to record the				
			above in the books of the company.				
CO3	K4	13a.	From the following balances, prepare the balance sheet of a company in the				
			prescribed format. Goodwill 1,50,000				
			Goodwill 1,50,000 Investments 2,00,000				
			Share capital 5,00,000				
			Reserves 1,10,000				
			Securities premium 15,000				
			Preliminary expenses 10,000				
			Profit and Loss a/c (Cr.) 25,000				
			Debentures 2,50,000				
			Other fixed assets 4,70,000				
			Stock 80,000				
			Debtors 60,000 Bank balance 30,000				
			Unsecured loan 65,000				
			Sundry creditors 35,000				
			(OR)				
CO3	K4	13b.	From the following information, Prepare Statement of profit and loss for the year				
			ended 31.12.2019 and also calculate profit or loss of the company.				
			Revenue from operations Rs.3,25,000 Other income Rs. 3,150				
			Other income Rs. 3,150 Cost of Goods sold Rs. 58,500				
			Employee benefit expenses Rs. 99,000				
			Depreciation and amortisation expenses Rs. 28,785				
			Other expenses Rs. 33,590				
			Current year tax Rs. 8,000				
CO4	K4	14a.	Calculate the amount of goodwill on the basis of three years purchase of the last five				
004	17.7	17a.	years average profits. The profits for the last five years are				
			Year Rs.				
			2019 4,800				
			2020 7,200				
			2021 10,000				
			2022 3,000				
			2023 5,000				
CO4	K4	14b.	(OR) From the following information calculate the value per equity share				
	12.		Rs.				
			5,000 8% equity shares of Rs.100 each 5,00,000				
			75,000 equity shares of Rs.10 each, Rs.8 per share paid up 6,00,000				
			Expected profits per year before tax 2,80,000				
			Rate of tax 50%				
			Transfer to General reserve every year 20% of the profit				
			Normal rate of earnings 10%				
		<u> </u>	<u> </u>				

CO5	K5	15a.	Show the various objectives of Accounting Standards.		
			(OR)		
CO5	K5	15b.	Discuss in detail valuation of inventories under AS – 2.		

Course Outcome	Bloom's K-level	Q. No.	<u>SECTION - C</u> (5 X 8 = 40 Marks) Answer <u>ALL</u> Questions choosing either (a) or (b)		
CO1	К3	16a.	Siva Company Limited issued 5,000 equity shares of Rs.10 each at a premium of Rs.4 per share. The money is payable as under Rs.1 on application, Rs.6 (including premium) on allotment, Rs.3 on first call and Rs.4 on final call. All the shares were duly subscribed but on 1,000 shares, the first call was not realized and in respect of 1,500 shares, the final call was not realized. These shares were forfeited and reissued at Rs.9 per share. Pass necessary journal entries to record these transactions. (OR)		
CO1	К3	16b.	Lakshmi Limited had an authorized capital of Rs.3,00,000 divided into shares of Rs.10 each. It offered 4,000 shares @ Rs.10 each at premium of Rs.2 on the following terms Rs. 2 per share on application Rs. 5 per share on allotment, (including Rs.2 premium) Rs.3 per share on first call and Rs.2 per share on final call. Applications were received for 6,000 shares. Applicants for 2,000 shares were rejected. All the money due on shares were fully received. Give the necessary journal entries.		
CO2	K4	17a.	Sudha Limited offered 20,000, 10% debentures of Rs.10 each at a premium of 5% were payable as under: On Application Rs.3.00 per Debenture On Allotment Rs.4.50 Per Debenture On I and Final Call Rs.3.00 Per Debenture Public applied for 22,000 Debentures. The Directors allotted 20,000 debentures and rejected the remaining applications. All moneys due were fully received. Give Journal entries.		
CO2	K4	17b.	(OR) On 1.4.2020, Rama limited issued 2,500 8% debentures of Rs.100 each at 5% discount. Holders of the debentures have option to convert their holdings into equity shares of Rs.100 each at a premium of Rs.25 per share at any time within 3 years. On 31.3.2021, holders of 500 debentures notified their intention to exercise the option. Show the necessary journal entries in the company's books relating to issue and conversion of the debentures.		
CO3	К4	18a.	The following ledger balances were extracted from the books of Varun Ltd. as on 31.3.2019. Land & Building Rs.2,00,000; 12% Debenture Rs.2,00,000; share capital Rs.10,00,000 (equity shares of Rs.10 each fully paid up); Plant and Machinery Rs.8,00,000; Goodwill Rs.2,00,000; Investment in shares of Raja Ltd.Rs.2,00,000; General reserve Rs.1,95,000; Stock in trade Rs.1,00,000; Bills Receivable Rs.50,000; Debtors Rs.1,50,000; Creditors Rs.1,00,000; Bank loan (unsecured) Rs.1,00,000; Provision for tax Rs.50,000; Proposed dividend Rs.55,000. Show the Balance sheet of the Company as per Revised Schedule VI, Part I of the companies Act.		
CO3	К4	18b.	The following balances have been extracted from the books of Rama Ltd. as on 31st March 2020 Share Capital Rs.10,00,000 12% Debentures Rs. 5,00,000 Proposed dividend Rs. 50,000 Machinery Rs. 9,00,000 Work-in-Progress Rs. 4,00,000 Securities Premium Rs. 1,00,000 Trade Payables (Creditors) Rs. 2,00,000 Government Bonds Rs. 4,00,000 Cash and Cash equivalents Rs. 1,00,000 Surplus i.e. balance in statement of profit and loss (Dr.) Rs. 50,000		

			Compute the Balance Sheet of the company as per Revised Schedule VI, Part I of the				
			Companies Act.				
CO4	K5	19a.	A firm earned net profits du	ring the last t	three years as follows:		
				R	s.		
			I Year	36,0	00		
			II Year	40,0	00		
			III Yea	,			
			The capital investme	nt of the firm	is Rs.1,00,000		
			Normal rate of return	ı 10%			
			Calculate the value of goodw	vill on the bas	sis of 3 years purchase of super	profit.	
					(OR)		
CO4	K5	19b.	The following is the balance				
			Liabilities	Rs.	Assets	Rs.	
			4,000 10% Pref. shares		Sundry Assets at Book value	12,00,000	
			of Rs.100 each	4,00,000			
			60,000 equity share of				
			Rs.10 each	6,00,000			
			Bills Payable	50,000			
			Creditors	1,50,000			
				12,00,000		12,00,000	
					s is estimated to be15% more t		
					10% less than the book value	. There is an	
			unrecorded liability of Rs.10				
			Find the value of each equity share (it is to be assumed that preference shares				
			have no prior claim as to payment of dividend or to repayment of capital.				
CO5	K5	20a.	Discuss the significance of accounting standards.				
			(OR)				
CO5	K5	20b.	Evaluate the consolidated financial statements.				