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



**UG DEGREE END SEMESTER EXAMINATIONS - APRIL 2025.**

(For those admitted in June 2021 and later)

**PROGRAMME AND BRANCH: B.COM.**

SEM	CATEGORY	COMPONENT	COURSE CODE	COURSE TITLE
VI	PART - III	CORE	U21CO614	CORPORATE ACCOUNTING - II

**Date & Session: 24.04.2025/FN**

**Time : 3 hours**

**Maximum: 75 Marks**

Course Outcome	Bloom's K-level	Q. No.	SECTION – A (10 X 1 = 10 Marks) Answer <u>ALL</u> Questions.
CO1	K1	1.	The value of security offered to creditors is more than amount due is called. a) Fully Secured creditors                      b) partly Secured creditors c) preferential creditors                      d) unsecured creditors
CO1	K2	2.	A contributory is a. a) Creditors      b) share holder                      c) debtor                      d) debenture holder
CO2	K1	3.	A company in which more than 50 % of the shares are held by another company is termed as. a) Government company                      b) Public company c) Subsidiary company                      d) Holding company
CO2	K2	4.	The excess price paid by a holding company to acquire controlling interest in the subsidiary company is transferred to. a) Capital reserve                      b) Goodwill A/c c) General reserve                      d) revenue reserve
CO3	K1	5.	The percentage of profit to be transferred to statements reserve by the banking company is. a) 15 %                      b) 35 %                      c) 25 %                      d) 10 %
CO3	K2	6.	An asset which does not generate income to the banker is termed as. a) Performing assets                      b) non-performing assets c) Fixed assets                      d) Current assets.
CO4	K1	7.	Under double account system, interest on debenture is shown in. a) Revenue account                      b) Net revenue account c) balance sheet                      d) capital account
CO4	K2	8.	Original cost of an asset Rs.2,50,000. Present cost of the replacement Rs.3,25,000 amount spend on replacement Rs.3,80,0000. The amount chargeable to revenue will be. a) Rs.2,50,000      b) Rs.3,80,000      c) Rs.3,25,000      d) Rs.3,00,000
CO5	K1	9.	Expenses incurred by a business enterprise on the recruitment, training and development of workers are considered as. a) Opportunity cost.                      b) imputed costs c) current costs                      d) capital costs

CO5	K2	10.	Under this method, the value of human resources is ascertained on the basis of its alternative use. a) standard cost method                      b) opportunity cost method c) replacement cost method                  d) total cost method																								
Course Outcome	Bloom's K-level	Q. No.	<b>SECTION – B (5 X 5 = 25 Marks)</b> <b>Answer ALL Questions choosing either (a) or (b)</b>																								
CO1	K3	11a.	The Liquidator of SR & Co Ltd., is entitled to get a remuneration of 3% on the amount realised from the assets and 2% on the amount distributed to the unsecured creditors. From the following particulars calculate the remuneration payable: <table><tr><td></td><td><b>Rs.</b></td></tr><tr><td>a) Cash realised from assets</td><td>3,00,000</td></tr><tr><td>b) Preferential creditors</td><td>10,000</td></tr><tr><td>c) Amount due to unsecured creditors</td><td>4,00,000</td></tr></table>		<b>Rs.</b>	a) Cash realised from assets	3,00,000	b) Preferential creditors	10,000	c) Amount due to unsecured creditors	4,00,000																
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CO1	K3	11b.	(OR) From the following particulars, related to a liquidated company, calculate the amount of unsecured creditors and preferential creditors: The creditors other than secured creditors of a liquidated company were: <table><tr><td></td><td><b>Rs.</b></td></tr><tr><td>Trade creditors</td><td>1,42,000</td></tr><tr><td>Provident fund of workers</td><td>11,000</td></tr><tr><td>Gas Board for gas supplied</td><td>420</td></tr><tr><td>Dues to city corporation for Local takes</td><td>10,000</td></tr><tr><td>Salary of Peon for four months</td><td>6,000</td></tr><tr><td>Director's fees for four months</td><td>8,000</td></tr></table>		<b>Rs.</b>	Trade creditors	1,42,000	Provident fund of workers	11,000	Gas Board for gas supplied	420	Dues to city corporation for Local takes	10,000	Salary of Peon for four months	6,000	Director's fees for four months	8,000										
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CO2	K3	12a.	From the following balance sheets of Holding company and Subsidiary company, prepare a consolidated balance sheet. Balance sheet as on 31 <sup>st</sup> March 2021 <table><tr><td><b>Liabilities</b></td><td><b>Holding Company</b></td><td><b>Subsidiary Company</b></td><td><b>Assets</b></td><td><b>Holding Company</b></td><td><b>Subsidiary Company</b></td></tr><tr><td>Share capital of Rs.10 each</td><td>20,00,000</td><td>10,00,000</td><td>Assets</td><td>25,00,000</td><td>12,00,000</td></tr><tr><td>Liabilities</td><td>15,00,000</td><td>2,00,000</td><td>Investments 1,00,000 shares of Rs.10 each of subsidiary company</td><td>10,00,000</td><td></td></tr><tr><td></td><td>35,00,000</td><td>12,00,000</td><td></td><td>35,00,000</td><td>12,00,000</td></tr></table>	<b>Liabilities</b>	<b>Holding Company</b>	<b>Subsidiary Company</b>	<b>Assets</b>	<b>Holding Company</b>	<b>Subsidiary Company</b>	Share capital of Rs.10 each	20,00,000	10,00,000	Assets	25,00,000	12,00,000	Liabilities	15,00,000	2,00,000	Investments 1,00,000 shares of Rs.10 each of subsidiary company	10,00,000			35,00,000	12,00,000		35,00,000	12,00,000
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	35,00,000	12,00,000		35,00,000	12,00,000																						
CO2	K3	12b.	(OR) Balance sheet as on 1 <sup>st</sup> January 2019 <table><tr><td><b>Liabilities</b></td><td><b>H</b></td><td><b>S</b></td><td><b>Assets</b></td><td><b>H</b></td><td><b>S</b></td></tr><tr><td>Share capital Re.1 fully paid</td><td>27,000</td><td>12,000</td><td>Assets</td><td>45,000</td><td>26,000</td></tr><tr><td>Reserves</td><td>6,000</td><td>4,000</td><td>Investments 12,000 shares in S Ltd</td><td>15,000</td><td></td></tr></table>	<b>Liabilities</b>	<b>H</b>	<b>S</b>	<b>Assets</b>	<b>H</b>	<b>S</b>	Share capital Re.1 fully paid	27,000	12,000	Assets	45,000	26,000	Reserves	6,000	4,000	Investments 12,000 shares in S Ltd	15,000							
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Reserves	6,000	4,000	Investments 12,000 shares in S Ltd	15,000																							

			Profit and loss a/c	4,000	2,000			
			Creditors	23,000	8,000			
				60,000	26,000		60,000	26,000
			H Ltd. Acquired the shares on 1 <sup>st</sup> January 2019 calculate the value of goodwill.					
CO3	K4	13a.	On 31 <sup>st</sup> March 2018, Bharat Commercial Bank Ltd., finds its advances classified as follows:					
								<b>Rs.</b>
			Standard assets					14,91,300
			Sub-standard assets					92,800
			Doubtful assets(secured)					
			: doubtful for one year					25,660
			: doubtful for one 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.					
			<b>(OR)</b>					
CO3	K4	13b.	The Trial Balance of the Nedungadai Bank Ltd., as on 30 <sup>th</sup> June 2014 shows the following balances:					
								<b>Rs.</b>
			Interest and discount					45,40,600
			Rebate on bills discounted(1.7.13)					4,750
			Bills discounted and purchased					3,37,400
			The unexpired discount as on 30.06.14 is estimated to be Rs. 5,560. Draft necessary adjusting entries and calculate the amount of interest and discount to be credited to Profit and Loss Account.					
CO4	K4	14a.	Compare Double Account system with single account system.					
			<b>(OR)</b>					
CO4	K4	14b.	Identify the Special features of double account system.					
CO5	K5	15a.	Discuss the objectives of HRA.					
			<b>(OR)</b>					
CO5	K5	15b.	Evaluate the advantages of HRA.					
<b>Course Outcome</b>	<b>Bloom's K-level</b>	<b>Q. No.</b>	<b>SECTION – C (5 X 8 = 40 Marks) Answer ALL Questions choosing either (a) or (b)</b>					
CO1	K3	16a.	The following particulars relate to a limited company which went into voluntary liquidation: Preferential creditors                 Rs. 25,000 Unsecured creditors                      Rs. 58,000 6% Debentures                             Rs. 30,000 The assets realised Rs.80,000. The expenses on liquidation amounted to Rs.1,500 and the liquidator's remuneration was agreed at 2.5 % on the amount realised and 2 % on the amount paid to unsecured creditors including preferential creditors. Show the liquidator's final statement of account.					
			<b>(OR)</b>					
CO1	K3	16b.	The following particulars relate to a limited company which has gone into voluntary liquidation. You are required to prepare the liquidator's					

			final account allowing for his remuneration @ 3% on the amount realised and $2\frac{1}{2}\%$ on the amount paid to the unsecured creditors. Share capital issued: 5,000 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 secured creditors.					
							<b>Rs.</b>	
			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 paid except in case of one shareholder owning 1,200 shares.					
CO2	K4	17a.	Consolidated the following Balance sheets.					
			<b>Liabilities</b>	<b>H</b>	<b>S</b>	<b>Assets</b>	<b>H</b>	<b>S</b>
			Capital Re.1share	1,400	1,000	900 shares in S Ltd. At cost	1,200	---
			Creditors	-	500	Sundry assets	200	1,800
			Profit and loss a/c	-	300			
				1,400	1,800		1,400	1,800
			When H Ltd. Acquired the shares in S Ltd., the profit and loss /ac in the latter had a credit balance of Rs.200.					
			<b>(OR)</b>					
CO2	K4	17b.	Consolidated the following Balance sheets as on 31 <sup>st</sup> March 2022.					
			<b>Liabilities</b>	<b>H</b>	<b>S</b>	<b>Assets</b>	<b>H</b>	<b>S</b>
			Capital Re.1share	1,600	2,000	1800 shares in S Ltd. At cost	1,600	---
			Creditors	-	800	Sundry assets	-	2,400
						Profit and loss a/c	-	400
				1,600	2,800		1,600	2,800
			On the date of acquisition, S Ltd. Had a debit balance of Profit and loss a/c of Rs.300.					
CO3	K4	18a.	From the following particulars, prepare a Profit and Loss A/c of New bank Ltd., for the year ended 31.12.2016.					
			<b>Rs. (in '000)</b>			<b>Rs. (in '000)</b>		
			Interest on loans	260	Interest on cash credits	225		
			Interest on fixed deposits	280	Rent and taxes	20		
			Rebate on bills discounted	50	Interest on overdrafts	56		
			Commission charged to customers	9	Director's and Auditor's fees	4		
			Establishment expenses	56	Interest on savings bank accounts	70		
			Discount on bills discounted	200	Postage and telegrams	2		
			Interest on current accounts	45	Sundry charges	2		
			Printing and advertisements	3				
			<b>(OR)</b>					
			On 31 <sup>st</sup> December 2019. The following balances stood in the books of Asian Bank Ltd., after preparation of its Profit and Loss Account.					
CO3	K4	18b.						
			<b>Rs. (in '000)</b>					

			<div><div>Share capital: Issued and subscribed Reserve fund(under section 17) Fixed deposits Savings bank deposits Current accounts Money at call and short notice Investments Profit and Loss Account (cr) 1<sup>st</sup> Jan 2019 Dividend for 2018 Premises Cash in hand Cash with RBI Cash with other banks Bills discounted and purchased Loans, cash credits and over drafts Bills payable Unclaimed dividend Rebate on bills discounted Short loans(borrowing from other banks) Furniture Other assets Net profit for 2019</div><div>4,000 6,200 42,600 19,000 23,200 1,800 25,000 1,350 400 2,950 380 10,000 6,000 3,800 51,000 70 60 50 4,750 1,164 336 1,550</div></div>																														
Prepare balance sheet of the bank as on 31 <sup>st</sup> December 2019.																																	
CO4	K5	19a	<div><div>From the following particulars draw up: The Capital A/c and General Balance Sheet on 31<sup>st</sup> December 2013 under the Double Account system. Authorised capital – 20,000 shares of Rs. 100 each. Issued and paid up capital – 10,000 shares of Rs. 100 each including 1,000 shares issued in 2013.</div><table><tr><td></td><td>Rs.</td></tr><tr><td>8% Debentures</td><td>2,00,000</td></tr><tr><td>Reserve Fund</td><td>3,00,000</td></tr><tr><td>Trade creditors</td><td>1,00,000</td></tr><tr><td>Trade Debtors</td><td>2,20,000</td></tr><tr><td>Cash at Bank</td><td>60,000</td></tr><tr><td>Stock</td><td>1,20,000</td></tr></table><div>Reserve Fund Investments – at cost Rs. 3,00,000 (Market Value Rs. 3,60,000)</div><table><tr><td>Fixed Assets</td><td>Expenditure upto 31-12-12</td></tr><tr><td>Building</td><td>Rs. 5,00,000</td></tr><tr><td>Machinery</td><td>Rs. 5,00,000</td></tr><tr><td>Expenditure during the year 2013:</td><td></td></tr><tr><td>Machinery</td><td>Rs. 1,40,000</td></tr><tr><td>Depreciation Fund:</td><td></td></tr><tr><td>Building</td><td>Rs. 60,000</td></tr><tr><td>Machinery</td><td>Rs. 1,00,000</td></tr></table><div>(OR)</div></div>		Rs.	8% Debentures	2,00,000	Reserve Fund	3,00,000	Trade creditors	1,00,000	Trade Debtors	2,20,000	Cash at Bank	60,000	Stock	1,20,000	Fixed Assets	Expenditure upto 31-12-12	Building	Rs. 5,00,000	Machinery	Rs. 5,00,000	Expenditure during the year 2013:		Machinery	Rs. 1,40,000	Depreciation Fund:		Building	Rs. 60,000	Machinery	Rs. 1,00,000
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CO4	K5	19b.	<div>The Bangalore Municipal corporation replaces part of its existing water mains with larger mains at the cost of Rs. 75, 00,000. The original cost of laying the old mains was Rs. 15, 00,000 and the present cost of laying those mains would be three times the original cost Rs. 1,25,000 was realised by the sale of old materials and old materials of Rs. 3,75,000 were used in the replacement and included in the cost given above.</div>																														

			Give the journal entries to record the above and show the allocation of expenses between revenue and capital along with Replacement Account.
CO5	K5	20a	Recommend the different methods of valuation of Human resources. <b>(OR)</b>
CO5	K5	20b	Discuss the Limitations of HRA.