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Name.....

Reg. No.....

**THIRD SEMESTER (CBCSS—UG) DEGREE EXAMINATION
NOVEMBER 2024**

B.Com.

BCM 3B 04—CORPORATE ACCOUNTING

(2019—2023 Admissions)

Time : Two Hours and a Half

Maximum : 80 Marks

Part A

*Answer all the questions.
2 marks each. Max. 25 Marks.*

1. What do you mean by redemption of preference shares ?
2. What is double insurance ?
3. What do you mean by right of renunciation ?
4. What is goodwill in accounting ?
5. What is a whole life policy ?
6. What do you mean by slip system of posting ?
7. What are consolidated financial statements ?
8. What do you mean by earnings per share ?
9. What is Sinking Fund ?
10. What are doubtful assets ?
11. What do you understand by bonus issue of shares ?
12. What do you mean by an insurance policy ?
13. What do you mean by non-controlling interest ?
14. What is event after reporting period as per IND AS 10 ?
15. What is a parent company ?

(15 × 2 = 30 Maximum ceiling 25 Marks)

Turn over

Part B

*Answer all the questions.
5 marks each. Max. 35 Marks.*

16. Explain the different methods available for redemption of debentures.
17. Discuss the features of life insurance.
18. What is pre-acquisition profit ? How is it treated ?
19. Explain the different sources of bonus issue.
20. What are the objectives of book building ?
21. B had 3,000, 9 % redeemable preference shares of Rs. 200 each, fully paid up. The company decided to redeem these preference shares at par by issue of sufficient number of equity shares of Rs. 25 each at a premium of Rs. 2 per share as fully paid. Write journal entries.
22. From the following information, find out the amount of discount credited to P and L A/c :

Rebate on bills discounted (01 -04-2017)	...	Rs. 32,480
Discount received	...	Rs. 1,08,000

An analysis of the bills discounted shows the following

Amount of the bill	Rate of discount	Due date (including grace period)
73,000	12 %	14-06-2018
1,46,000	11 %	19-07-2018
4,38,000	10 %	10-08-2018

23. X Ltd. redeemed 1,800, 8 % Debentures of Rs.100 each issued at par by converting them into 9 % debentures of Rs. 100 each at a discount of 10 %. Show journal entries.

(8 × 5 = 40 Maximum ceiling 35 Marks)

Part C

*Answer any two of the following.
10 marks each.*

24. From the following particulars, prepare the final accounts of Malabar Bank Ltd. for the year ended 31-03-2018.

<i>Particulars</i>	Debit	Credit
Share capital (1,00,000 shares of Rs. 10 each, Rs. 5 paid)		5,00,000
Reserve Fund		10,00,000
Fixed deposits		20,00,000
Saving deposits		30,00,000
Current Accounts		70,00,000
Borrowed from other banks		2,00,000
Investments	30,00,000	
Premises	12,00,000	
Cash in hand	60,000	
Cash at bank	28,00,000	
Money at call and short notice	3,00,000	
Interest accrued and paid	2,00,000	
Salaries	80,000	
Rent	30,000	
Profit and Loss Account (01-04-2017)		1,60,000
Interest earned		4,50,000
Bills discounted	5,00,000	
Bills payable		8,00,000
Loans, advances, overdrafts and credits	70,00,000	
Unclaimed dividends		30,000
Sundry creditors		30,000

Turn over

The bank had bills for Rs. 14,00,000 as collection .and also acceptances and endorsements Rs. 4,00,000.

25. From the following particulars, prepare the revenue account of Bharat Life Insurance Co. Ltd. for the year ended 31-03-2020.

Life Insurance Fund as on 01-04-2019	...	29,72,300
Bonus to policyholders	...	31,500
Premium received	...	1,61,500
Claims paid	...	1,97,000
Commission paid	...	9,300
Management expenses	...	32,300
Interest and dividend received	...	1,12,700
Surrenders	...	7,000
Claims admitted but not paid	...	9,300
Management expenses due	...	200
Interest accrued	...	19,300
Premiums outstanding	...	12,000

26. Describe the objectives of preparing consolidated financial statements. Explain how it is prepared.
27. C Ltd had 2,000, 7 % redeemable preference shares of Rs. 50 each, fully paid up. The company decided to redeem these preference shares at 5 % premium by the issue of sufficient number of equity shares of Rs. 10 each fully paid at 10 % premium. The company had Rs. 75,000 undistributed profit in profit and loss statement on the date of redemption. Write journal entries.

(2 × 10 = 20 marks)