



K16P 0256

Reg. No. : .....

Name : .....

**Fourth Semester M.Com. Degree (Regular/Supplementary/Improvement)**  
**Examination, March 2016**  
**Paper – 15 : CORPORATE ACCOUNTING**  
**(2013 & Earlier Admn.)**

Time : 3 Hours

Max. Marks : 80

SECTION – A

Answer **any five**. Each carries **eight** marks.

1. Explain the scheme of capital reductions under internal reconstruction.
2. Explain the order of payment to the various claimants on winding up of companies.
3. What is Double Account System ? What are its features ?
4. Explain the various tools of Financial Analysis.
5. M Ltd. has an equity share capital of Rs. 50,00,000 comprising 50,000 shares of Rs. 100 each. It is resolved and sanction of the court has been obtained.
  - 1) To subdivide the equity shares into fully paid equity shares of Rs. 10 each.
  - 2) 80% of share be surrendered to the company.
  - 3) 2,00,000 of the surrendered shares to be issued to 12% debentures of Rs. 25,00,000 in full settlement of their claim.
  - 4) 1,00,000 of the surrendered shares to be issued as fully paid to creditors of Rs. 12,50,000.
  - 5) The balance of surrendered shares to be cancelled.
  - 6) To write off debit balance in P & L A/c Rs. 16,00,000; goodwill Rs. 19,00,000; preliminary expenses Rs. 7,50,000 and balance to be transferred to capital reserve.

Pass journal entries in the books of M Ltd. to implement the scheme.

P.T.O.



6. The position of X Ltd. in liquidation is as follows :

Issued share capital :

1000 6% preference shares of 100 each fully paid (arrear of dividend of one year)

1000 equity shares of Rs. 50 each fully paid

1000 equity shares of Rs. 40 each, Rs. 30 paid

Calls in arrear Rs. 4,000

Calls in advance Rs. 6,000

Cash left after making payment to creditors but before making any call Rs. 1,16,000.

You are required to prepare Liquidator's Final statement of Account.

7. Calculate the trend percentages from the following figures of X Ltd. taking 2004 on the base :

Year	Sales	Stock	Profit before tax
2004	1881	709	321
2005	2340	781	435
2006	2655	816	458
2007	3021	944	527
2008	3768	1154	672

8. From the following particulars, ascertain the amount of premium to be credited to revenue account.

Premium received during 2006-07	21,00,000
Outstanding premium on 31-3-07	1,60,000
Premium received in advance on 31-3-07	90,000
Outstanding premium on 1-4-06	1,20,000
Premium received in advance 1-4-06	55,000
Bonus in reduction of premium to be adjusted	30,000
Reinsurance premium for the year	1,50,000

(8×5 = 40)



SECTION – B

Answer any two. Each carries 20 marks.

9. The following are the Balance Sheet of X Ltd. as on March 2007 and 2008.

Liabilities	2007	2008	Assets	2007	2008
Share Capital	8,00,000	10,00,000	Plant & Machinery	6,00,000	5,40,000
Reserve & Surplus	3,00,000	4,00,000	Furniture	40,000	60,000
Debentures	2,00,000	3,00,000	Debtors & Stock	7,00,000	10,00,000
Bills Payable	60,000	40,000	Bills Receivable	1,00,000	2,00,000
S. Creditors	2,40,000	3,60,000	Cash at Bank	1,60,000	3,00,000
	<b>16,00,000</b>	<b>21,00,000</b>		<b>16,00,000</b>	<b>21,00,000</b>

Prepare Comparative Balance Sheet.

10. On 15<sup>th</sup> June 2010 the premises of a company were destroyed by fire but sufficient records were saved from which the following particulars were ascertained :

	Rs.
Stock at cost 1-1-2009	50,000
Stock at cost 31-12-2009	70,000
Purchases less returns 31-12-2009	4,74,000
Sales less return 31-12-2009	6,00,000
Purchases less return 1-1-2010 to 15-6-2010	1,50,000
Sales less return 1-1-2010 to 15-6-2010	2,05,000

In closing stock for Balance Sheet at 31-12-2009 Rs. 4,000 had been written off certain stock having cost Rs. 9,000.

Half of there were sold in March 2010 for Rs. 5,000. The balance is estimated to be worth original cost. Subject to the above exception, gross profit had remained at uniform rate.

The stock salvaged were worth Rs. 6,000 and they were retained by the insured. Show the amount of the claim.



11. An electricity supply company replaced an elective line at a cost of Rs. 90,00,000 in 2012. The original cost of the line at the time of its installation in 1982 was Rs. 20,00,000. The replacement cost of the old line at the old capacity was Rs. 60,00,000. The old materials obtained on replacement realised Rs. 3,00,000. Calculate the amount to be capitalised and also give journal entries on replacement.
12. The Balance Sheet of A Co. Ltd. as at 31-12-2006 was as under :

Liabilities	Rs.	Assets	Rs.
Share capital		Land & Building	2,50,000
shares of Rs. 50 each	3,00,000	Plant & Machinery	1,00,000
Sundry Creditors	75,000	Stock in trade	35,000
Bank O.D.	65,000	Sundry Debtors	50,000
		P & L (Dr.)	5,000
	<b>4,40,000</b>		<b>4,40,000</b>

A Ltd. was absorbed by B Co. Ltd. for Rs. 3,82,500 which was paid as follows :

- 1) Rs. 1,42,500 in cash for payment to creditors, bank overdraft and to misc. expenses of winding up of Rs. 2,500.
- 2) Rs. 2,40,000 in equity shares of Rs. 10 each of B Co. Ltd.

Prepare Realisation A/c in A Co. Ltd. book and journal entries in the book of B Co. Ltd.  
(2×20 = 40)