

D3BBA2301

Reg. No.....

Name:

THIRD SEMESTER UG DEGREE EXAMINATION, NOVEMBER 2024
(Regular/Improvement/Supplementary)
BBA
GBBA3B04T: CORPORATE ACCOUNTING

Time: 2 ½ Hours

Maximum Marks: 80

SECTION A: Answer the following questions. Each carries *two* marks.
(Ceiling 25 marks)

1. What is Recognition of Financial Elements?
2. Comment on IFRS Convergence.
3. Define Ind As.
4. What are the provisions relating to income tax according to Ind As 12?
5. Give an account on deferred tax liability.
6. What do you mean by 'tax base'?
7. What are Own debentures?
8. What are Contingent liabilities?
9. Comment on Current ratio.
10. Write an account on divisible profits.
11. What are Reserves?
12. Write a short note on Ex-interest.
13. What is intra firm comparison?
14. Define capital gearing ratio.
15. What is window dressing?

SECTION B: Answer the following questions. Each carries *five* marks.
(Ceiling 35 marks)

16. What is redemption by purchase in Open Market? Briefly explain Ex- interest and cum - Interest Methods?
17. Explain the limitations of accounting ratios?

(PTO)

18. A factory had a cost of Rs 18 million. It has been revalued at Rs 23 million. Give the accounting treatment, if the factory is sold for 26 million, what is the accounting treatment?

19. Calculate cash from operations from the following:

Opening stock	₹ 5,000
Purchases	₹ 20,000
Sales	₹ 35,000
Closing stock	₹ 10,000
Expenses	₹ 5,000

20. From the following information, calculate debt equity ratio.

	Rs.
20,000 equity shares of Rs. 10 Each fully paid	2,00,000
10,000 9% preference shares of Rs. 10 each fully paid	1,00,000
General reserve	90,000
P/L A/C	60,000
15% debentures	1,50,000
Preliminary expenses	20,000

21. Rani Ltd. purchases goods on cash and credit terms from the following information, Calculate creditors turnover ratio:

Total purchases	₹ 4,20,000
Cash purchases	₹ 40,000
Purchase Returns	₹ 20,000
Creditors at the end of the year	₹ 70,000
Bills payable at the end of the year	₹ 10,000
Provision for discount on creditors	₹ 3,750

22. A Ltd. company has 5000, 5% preference shares of 100 each fully paid. The company decided to redeem the share on 31st march 2020, at premium of 5 %. the company for carrying out the redemption, issues 4000 equity shares of Rs. 100 each at a premium 10% The issue was fully subscribed and all the amounts were fully received and the preference shares were fully redeemed. You are required to give the journal entries recording the above transactions.

23. Z Ltd decided to redeem 6% debentures of Rs. 10,000. Interest is payable half yearly on 30th September and 31st March each year on 1st June 2020. It purchased debentures of Rs. 10,000 in the open market at Rs.97 each for immediate cancellation. Give journal entries if the purchase price paid is: a) Cum interest. b) Ex – interest.

SECTION C: Answer any two questions. Each carries ten marks.

24. Briefly State Objectives, Scope, Measurement and Recognition and Disclosure requirements under income tax (Ind AS 12).
25. The following is a balance sheet as on 31.3.2024.

Liabilities	Rs	Assets	Rs
Share capital	2,00,000	Land and building	1,40,000
Profit and loss account	30,000	Plant and machinery	3,50,000
General reserve	40,000	Stock	2,00,000
12% debentures	4,20,000	Sundry debtors	1,00,000
Sundry creditors	1,00,000	Bills receivables	10,000
Bills payable	50,000	Cash at bank	40,000
	8,40,000		8,40,000

Calculate:

- Current ratio.
 - Quick ratio.
 - Inventory to Working ratio.
 - debt to equity ratio.
 - Proprietary ratio.
 - Capital gearing ratio.
 - Current assets to Fixed asset ratio.
26. From the following balance sheet prepare cash flow statement for the year 2023 according to AS 3 revised:

Liabilities	1.1.2023	31.12.23	Assets	1.1.2023	31.12.2023
Creditors	40,000	44,000	Cash	10,000	7,000
Loan from X	25,000	-	Debtors	30,000	50,000
Loan from bank	40,000	50,000	Stock	40,000	25,000
Capital	1,25,000	1,53,000	Machinery	80,000	55,000
			Land	35,000	50,000
			Building	35,000	60,000
	2,30,000	2,47,000		2,30,000	2,47,000

During the year machine costing Rs. 10,000 with accumulated depreciation Rs 3,000 was sold for Rs. 5,000.

(PTO)

27. The following is the trail balance of Ram Cement Co Ltd on 31.3.2024.

Debit balances	Rs	Credit balances	Rs
Stock (1.4.2023)	75,000	Sales	3,50,000
Purchases	2,45,000	Profit & loss statement (31-3-23)	15,030
Wages	50,000	Share capital (10,000 equity shares of Rs.10 each)	1,00,000
Furniture and fittings	17,000	Sundry creditors	17,500
Salaries	7,500	Reserve fund	15,500
Rent	4,950	Discount received	5,000
Sundry expenses	7,050		
Dividend paid	9,000		
Debtors	37,500		
Machinery	29,000		
Cash in hand	10,200		
Cash at bank	6,000		
Patents and trade mark	4,830		
	5,03,030		5,03,030

Additional information:

- Stock on 31.3.2024 was worth Rs. 82,000.
- Depreciation of fixed assets at 10 %.
- Make provision for income tax at the rate of 50 %.

Prepare a statement of Profit and Loss account and Balance Sheet.

(2 x 10 = 20 Marks)