Reg. No……………………… Name…………………………… **26U4102-S**

B A, BSC, BCOM DEGREE END SEMESTER (SPECIAL) EXAMINATION – MAY 2026

UGP (HONS.) SEMESTER – 4: – DISCIPLINE SPECIFIC COURSE

COURSE: 24UCOMDSC205 – CORPORATE ACCOUNTING

(For Supplementary (Special) 2024 Admission)

Time: 1.5 Hours Max. Marks: 50

SECTION A

Answer any 5 questions. Each question carries 2 marks.

1. What is share exchange method? (U, CO1)
2. How will you treat statutory reserve in amalgamation in the nature of purchase? (U, CO1)
3. What is relevant date? (U, CO5)
4. What is fraudulent preference? (U, CO5)
5. What is sub-division of shares? Illustrate with an example. (U, CO2)
6. How will you treat TDS in final accounts? (U, CO3)
7. What are contingent liabilities (U, CO3)
8. Give any four items which are directly allocated to post-incorporation period (U, CO4)

(2 × 5 = 10)

SECTION – B

Answer any 4 questions. Each question carries 5 marks

9. Distinguish between Internal Reconstruction and External Reconstruction. (U, CO2)
10. The following is the extracts of Balance sheet of A Ltd. as on the date of its acquisition by B Ltd.

Particulars	Rs.
Shareholders' Funds	26,00,000
Long term Provision (Employee PF)	2,00,000
Trade payables	8,00,000
Intangible Assets (Goodwill)	6,00,000
Total Tangible Assets	18,00,000
Inventories	4,00,000
Cash and Cash Equivalents	1,00,000
Trade Receivables	7,00,000

Additional Information:

a) Goodwill is valued at Rs.9,00,000.

b) Tangible assets are valued at Rs.20,00,000.

c) Inventory is valued at Rs.3,60,000.

d) All assets and liabilities are taken over.

Calculate the amount of purchase consideration (A, CO1)

11. Jai Hind Ltd Provides the Following Information For The Year Ended 31st March 2018.

PARTICULARS	AMOUNT (in lakhs)
Sales	1,450
Furniture & Fittings	50
Discount	10
Advertisement	15
Bad Debt	4
Excise Duty	3
Commission	6
Trade Commission Received	3
Opening Stock of Materials	12
Purchase of raw Materials	460
Rental income	2
Rentals	3
Interest Expense	12
Other Borrowing costs	2
Salaries & Wages	300
Plant and Equipment	100
Debenture Interest	4
Building	200
Opening stock of WIP	12
Dealer aids	2
Sundry Debtors	40
Distribution Freight	4
Transit Insurance	1
Transfer fees received	2
Opening stock of Finished goods	80
Surplus Account	11
Interest Income	6
Dividend Received	4

Additional Information:

a) Closing stock: Raw Materials Rs: 120 lakhs, WIP Rs: 16 lakhs and closing stock Rs: 70 lakhs.

b) Make provision for bad debts @ 10 %.

c) Depreciate Plant & Equipment @ 20% , buildings @ 5% and Furniture and Fittings @10%.

d) Provide Income Tax@ 30%.

You are required to prepare a Statement of Profit & Loss for the year ended 31-03-2018.

(A, CO3)

12. Smart Ltd has an Equity share capital of Rs 10,00,000 consisting of Rs 100000 shares of Rs100 each. It is resolved and sanctions of the court has been obtained:

a) To subdivide equity shares into fully paid equity shares of Rs 10each.

b) 80% of the shares to be surrendered to the company.

c) 4,00,000 of the surrendered shares to be issued to 15% debentures of Rs 50,00,000 in full settlement of the claim.

d) 2,00,000 of the surrendered shares to be issued as fully paid to the creditors of Rs25,00,000.

e) The balance of the surrendered shares to be cancelled

f) To write off debit balance in P&L a/c Rs 32,00,000; goodwill Rs 38,00,000, preliminary expense Rs 15,00,000 and the balance to be transferred to capital reserve. Give journal entry to implement the scheme. (A, CO2)

13. C Ltd was incorporated on 01.08.2017 to take over a business from 01.04.2017. The profit and loss account for the year ended 31.03.2018 was as under.

Particular	Amount	Particular	Amount
To Opening Stock	28,000	By Sales	2,80,000
To Purchases	1,82,000	By Closing Stock	14,000
To Gross Profit c/d	84,000		
	2,94,000		**2,94,000**
To Rent, Rates and Insurance	3,600	By Gross Profit b/d	84,000
To Directors' Fees	4,000		
To Salaries	12,000		
To Office Expenses	9,000		
To Travellers' Commission	2,800		
To Discount	3,500		
To Bad debts (Rs 475 relates to post incorporation)	700		
To Audit fees	500		
To Depreciation	1,200		
To Debenture Interest	900		
To Interest on purchase consideration(upto 30.11.2017)	3,200		
To Net Profit	42,600		
	84,000		**84,000**

Sales for the April, June and December 2017 are one and half times the average of those for the year, while those for March 2018 on twice the average and those for May only half the average. Ascertain profit prior to incorporation. (A, CO4)

14. Following are the details of various outstanding liabilities of Sad Ltd which went into liquidation on 1stApril 2018:

	Amount
Income Tax payable	
2016-17:	32,000
2017-18:	20,000
Electricity charges payable to the state government on 31.3.2018	30,000
Salary of staff 'A' for 5 months	4,000 per month
Salary of staff 'B' for 4 months	6,000 per month.
Accrued holiday remuneration of staff 'C'	21,000
Compensation payable to staff 'D', under the Employee's Compensation Act, 1923	25,000
Provident Fund and gratuity payable to staff 'E'	30,000
Directors' fees payable for five months	10,000

Calculate the amount due to preferential creditors. (A, CO5)

(5 x 4 = 20)

SECTION – C

Answer any 2 questions. Each question carries 10 marks

15. Discuss the different methods for calculation of purchase consideration. Illustrate with the help of examples. (U, CO3)

16. Prepare Balance Sheet as at 31st March, 2019 from the particulars furnished by Vision Ltd., as per Schedule (iii) of the Companies Act, 2013

Particulars	**Amount**	**Particulars**	**Amount**
Equity ShareCapital(Rs.10 each,fully paid)	8,00,000	Advances(Dr.)	34,160
Calls in Arrear	800	Proposed Dividend	48,000
Land	1,60,000	Loan from IDBI	1,20,000
Surplus Balance	80,000	Loans(unsecured)	96,800
Building	2,80,000	Provision for Taxation	54,400
Cash at Bank	1,97,000	Sundry Debtors	1,60,000
Plant & Machinery	4,20,000	Stock :	
Patent	10,000		
Furniture	40,000	Finished Goods 1,60,000	
Sundry Creditors (For Goods & Expenses)	1,60,000	Raw Material 40,000	2,00,000
General Reserve	1,68,000		

Adjustments:

a) 1,500 equity shares were issued for consideration other than cash.

b) Loan of Rs. 1,20,000 from IDBI is inclusive of Rs. 60,000 for interest accrued but not due. The loan is hypothecated by Plant & machinery.

c) Debtors of Rs. 50,000 are due for more than six months.

d) The cost of assets: Building Rs. 3,20,000; plant and machinery Rs. 5,60,000; furnitureRs.50,000.

e) Bank balance includes Rs. 2,000 with Trust Bank Ltd., which is not a scheduled Bank.

f) Bills receivables for Rs. 2,20,000 maturing on 30th June, 2019 have been discounted.

g) The company had contract for the erection of machinery at Rs. 1,50,000 which is still incomplete.

(An, CO1)

17. The following is the Balance Sheet of CALIC Limited as at 31st March, 2009

Liabilities	**Amount**	**Assets**	**Amount**
Share Capital:		**Fixed Assets:**	
2,000 Equity Shares on100 each Rs.75 per share paid up	1,50,000	Land & Buildings	4,00,000
6,000 Equity shares of 100 each Rs. 60 per share paid up	3,60,000	Plant and Machineries	3,80,000
2,000 10 % Preference Share of 100 each full paid up	2,00,000		
Secured Loans:		**Current Assets:**	
10%Debentures (having a floating charge on all assets)	2,00,000	Stock at cost	1,10,000
Interest accrued on Debentures (also secured as above)	10,000	Sundry Debtors	2,20,000
Current Liabilities:		Cash at Bank	60,000
Sundry Creditors	4,90,000	Profit and Loss *A/c*	2,40,000
	14,10,000		14,10,000

On that date, the company went into Voluntary Liquidation. The dividends on preference shares were in arrears for the last two years. Sundry Creditors include a loan of~ 90,000 on mortgage of Land and Buildings.

Liquidator realised the assets as under:

Land and Buildings Rs. 3,40,000, Plant and Machineries Rs. 3,60,000, Stock Rs.20,000, Sundry Debtors Rs. 1,60,000.

Interest accrued on loan on mortgage of buildings up to the date of payment amounted to Rs. 10,000. The expenses of Liquidation amounted to Rs. 4,600. The Liquidator is entitled to a remuneration of 3% on all the assets realised (except cash at bank) and 2 % on the amounts distributed among equity shareholders. Preferential creditors included in sundry creditors amount to Rs. 30,000. All payments were made on 30th June 2009.

Prepare the Liquidator's Final Statement of Account.

(A, CO5)

(10 x 2 = 20)