

SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN
(AUTONOMOUS)

(Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)
Chromepet, Chennai - 600 044.

B.Com. CS- END SEMESTER EXAMINATIONS - APRIL 2025
SEMESTER - IV

21UBCCT4009 - Corporate Accounting - II

Total Duration : 2 Hrs.30 Mins.

Total Marks : 60

Section B

Answer any **SIX** questions ($6 \times 5 = 30$ Marks)

1. Explain the significance and need for accounting standards.
2. Describe the merits and limitations of Accounting for Price Level Changes.
3. A Life insurance company disclosed a fund of Rs.25,00,000 on December 31,2006 before taking the consideration.
 - i. A Claim of Rs.15,000 was intimated and admitted but not paid during the year.
 - ii. Premium of Rs.1,000 is payable under reinsurance.
 - iii. Reinsurance recoveries Rs.30,000
 - iv. Bonus utilized in reduction of premium Rs.8,000.

Compute the amount of true life assurance fund.

4. Explain the various types of policies provided by the Life Insurance.
5. From the following particulars prepare the fire revenue A/c for the year 2005-06.

	Rs.
Claims – Net	10,20,000
Premium received	24,00,000
Reinsurance premium	2,40,000
Commission	4,00,000
Expenses on management	4,20,000
Provision for unexpired risk on 1.4.2005	13,00,000

6. Show a Specimen Schedule for a Bank Balance Sheet.
7. Chennai Bank Ltd. held the following bills on 31.03.2006.

Date of Bill	Amount	Term	Discount
January 13	7,50,000	4	12%
February 17	6,00,000	3	10%
March 6	4,00,000	4	11%
March 16	2,00,000	2	10%

Ascertain the amount of rebate on bills discounted.

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8. 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 compute the amount of remuneration payable to the liquidator.
Cash realised from assets Rs.3,00,000; Preferential Creditors Rs.10,000; Amount due to unsecured creditors Rs.4,00,000.

Section C

Answer any **THREE** questions ($3 \times 10 = 30$ Marks)

9. The following details relating to Usman Ltd. are provided to you for the year ended 31st December 1997. You are required to ascertain (a) cost of sales and (ii) closing inventory as per CPP method. The company has been constantly following FIFO method for pricing of stock issues.

Particulars	Historical Accounts (Rs.)	Wholesale Price Index
Opening stock on 1 st January 1997	20,000	400
Purchases during the year	1,00,000	625
Closing stock (out of the purchases made in Nov. 97)	15,000	600
Wholesale price index on 31.12.97	-	700

10. Construct as per the statutory form, the revenue account of Mahindra Life Insurance Co., Ltd., for the year ended 31st March 2016.

Particulars	Rs. (000)	Particulars	Rs. (000)
Claims by death	76,000	Expenses of management	29,900
Claims by maturity	30,000	Commission	9,600
Premiums	7,05,700	Interest, dividend and rent	97,800
Transfer fees	200	Income tax thereon	27,100
Consideration for annuities	82,300	Surrenders	11,500
Annuities paid	51,000	Bonus in reduction of premium	1,000
Bonus paid in cash	2,000	Dividend paid	5,000
		Life Assurance Fund (1.4.2015)	12,30,000

Additional information (Rs. In thousands): Paid up capital of the company is Rs.5,00,000 and net liability as per actuarial valuation is Rs.9,00,000 as on 31.3.2016. Prepare a valuation balance sheet of the company as on 31.3.2016.

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11. Prepare the Revenue account of Jawahar Marine Insurance Co Ltd., for the year ended 31st March 2016.

Particulars	Rs.	Particulars	Rs.
Reserve for unexpired risk (1.4.15)	500	Claims outstanding (1.4.15)	160
Additional reserve (1.4.15)	50	Claims paid	470
Premium less reinsurance	720	Expenses of management	54
Interest, dividend and rent (Gross)	40	Audit fees	10
Profit on sale of investments	18	Directors' fees	4
Other income	4	Depreciation	5
Commission paid	35	General charges	12

- i. Claims outstanding at the end Rs.60
- ii. Additional reserve at 10% of premium is to be provided.

12. From the following particulars construct a Profit and Loss A/c of new bank limited for the year ended 31.12.2019 and examine the amount transfer to Statutory reserve account.

Particulars	Rs.
Interest on loans	2,60,000
Interest on fixed deposit	2,80,000
Rebate on bills discounted	50,000
Commission charged to customers	9,000
Establishment expenses	56,000
Discount on bills discounted	2,00,000
Interest on current account	45,000
Advertisements	3,000
Interest on cash credit	2,25,000
Rent	20,000
Interest on overdraft	56,000
Directors fees	4,000
Interest on savings bank accounts	70,000
Printing expenses	2,000
Sundry charges	2,000

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13. From the data relating to a company (in voluntary liquidation), you are asked to prepare liquidators final statement of account.
- (a) Cash with liquidator (after all assets are realised and secured creditors and debenture holders are paid) is Rs.6,73,800
 - (b) Preferential creditors to be paid Rs.30,000
 - (c) Other unsecured creditors Rs.2,15,000
 - (d) 4,000 6% preference shares of Rs.100 each fully paid.
 - (e) 2,000 equity shares of Rs.100 each, Rs.75 per share paid up.
 - (f) 6,000 equity shares of Rs.100 each, Rs.60 per share paid up.
 - (g) Liquidator's remuneration 2% on preferential and other unsecured creditors.
 - (h) Preference dividends were in arrears for 2 years.
