

QP CODE: 23004986



Reg No :

Name :

M.COM DEGREE (CSS) EXAMINATION , JULY 2023

Second Semester

CORE - CM010201 - ADVANCED CORPORATE ACCOUNTING

M.COM FINANCE AND TAXATION, M.COM FINANCE AND TAXATION (SF), M.COM MANAGEMENT AND
INFORMATION TECHNOLOGY (SF), M.COM MARKETING AND INTERNATIONAL BUSINESS (SF)

2019 Admission Onwards

9D8A9028

Time: 3 Hours

Weightage: 30

Part A (Short Answer Questions)

Answer any **eight** questions.

Weight **1** each.

1. How the portion of capital profit and revenue profit of the holding company is adjusted in consolidated balance sheet?
2. What is the meaning of post-acquisition profit?
3. Write a short note on Contingency Reserve.
4. What do you mean by fraudulent trading or wrongful trading?
5. Explain the procedure of application by creditor to initiate insolvency resolution process.
6. Is there any difference between liquidation and insolvency?
7. Explain the process of liquidation
8. Explain the liquidation process.
9. What is a voyage account?
10. Explain Primage.

(8×1=8 weightage)

Part B (Short Essay/Problems)

Answer any **six** questions.

Weight **2** each.

11. Which are the documents to be filed along with the Consolidated financial statements?
12. What are the adjustments to be done while revaluation of assets?
13. Explain the salient features of Double Account System.
14. Write a short note on the accounts of Electricity Supply Companies.
15. What are the provisions regarding adjudicating authority for corporate person?
16. What do you understand by A list and B list contributories?



17. What do you mean by contributory? Describe the various types of contributories.
18. How room rates are calculated?

(6×2=12 weightage)

Part C (Essay Type Questions)

Answer any **two** questions.

Weight 5 each.

19. The balance sheets of H Ltd. and S Ltd. as at December, 31st 2010 given below.

Liabilities	H Ltd.	S Ltd.	Assets	H Ltd.	S Ltd.
Share capital (Rs. 10 each)	8,00,000	2,00,000	Fixed Assets	7,00,000	2,00,000
General Reserve	2,00,000	80,000	Investment 16,000 shares in S Ltd.	2,00,000	
Profit and Loss A/c	1,00,000	60,000	Current Assets	3,00,000	1,60,000
Creditors	1,00,000	20,000			
	12,00,000	3,60,000		12,00,000	3,60,000

S Ltd. had a credit balance of Rs. 80,000 in the General Reserve when H Ltd. acquired share in S Ltd. S Ltd. decided to capitalize Rs. 40,000 out of post acquisition profits earned by making a bonus issue of one share for every five shares held.

Prepare a consolidated Balance sheet as on December, 31st 2010.

20. Following information is extracted from the accounting records of ECT Electricity company for the year ended 31st March 2020

(in crores)

Share Capital	60.00
Fixed assets (tangible) at cost	116.00
Accumulated depreciation	40.00
Intangible assets	6.00
Investments:	
Depreciation Reserve Fund	40.00
Contingencies Reserve	4.00
Loan from State Electricity Board	10.00
12% Debentures	20.00
Tariff and Dividend Control Reserve	6.00
Net profit after tax	12.20
Customers' Security Deposits	6.00
Monthly Average of current assets	7.00

The monthly average of current assets includes Rs. 10000000 due from customers. Investments yield 10% return p.a. The applicable bank rate is 9% p.a.

You are required to determine

- Capital base
- Reasonable return
- Disposal of surplus

21. The following is the Balance sheet of Ponds Ltd which is in the hands of the liquidator:

Liabilities	Rs	Assets	Rs
1000,6% Preference shares of Rs100 each fully paid	1,00,000	Fixed assets	2,00,000



2000, Equity shares of Rs100 each fully paid	2,00,000	Stock	1,20,000
2000 Equity shares of Rs 100 each called Rs 75	1,50,000	Book debts	2,40,000
Loan from bank (on security of stock)	1,00,000	Cash in hand	40,000
Trade creditors	3,50,000	Surplus account	3,00,000
	9,00,000		9,00,000

The assets realized the following amounts.

Fixed assets Rs 1,68,000

Stock Rs 1,10,000

Book debts Rs 230,000

Liquidator's commission amounting to Rs5, 000 paid out of cash in hand Rs 40,000 as per Balancesheet

Calls on partly paid shares were made but the amounts due on 200 shares were found to be irrecoverable

Prepare Liquidator's Final statement of account.

22. Explain; (1) Firm underwriting. (2) Sub-underwriter. (3) Steps in preparation of underwriter accounts.

(2×5=10 weightage)