

21U331

(Pages: 3)

Name:

Reg. No:

THIRD SEMESTER B.B.A. DEGREE EXAMINATION, NOVEMBER 2022

(CBCSS - UG)

(Regular/Supplementary/Improvement)

CC19U BBA3 B04 - CORPORATE ACCOUNTING

(BBA - Core Course)

(2019 Admission onwards)

Time: 2.5 Hours

Maximum: 80 Marks

Credit: 4

Part A (Short answer questions)

Answer *all* questions. Each question carries 2 marks.

1. What is IFRS Adoption?
2. State the meaning of deferred tax liability.
3. What is a qualifying asset as per Ind As 23?
4. What are contingent assets
5. How is inventory measured as per Ind As 2?
6. Name the different kinds of debentures
7. Discuss the various sources of redemption of debentures.
8. What is DRR account?
9. What do you understand by redemption of debentures by purchase in open market?
10. What is interim dividend?
11. State the uses of SOCE.
12. What do you mean by financing activities?
13. What is a ratio?
14. What are activity ratios?
15. What are leverage ratios?

(Ceiling: 25 Marks)

Part B (Paragraph questions)

Answer *all* questions. Each question carries 5 marks.

16. Distinguish between IFRS and Indian accounting standards.
17. A factory has a carrying value of Rs. 22 million. two years ago, it was revalued upwards to Rs. 23 million. The value has now fallen to Rs. 20 million. how will you account the revaluation decrease?

18. Fast Ltd. manufactures ice creams and has incurred the following expenses. compute the cost of purchase and the conversion cost

| | |
|-------------------------------------|--------------|
| Cost of raw materials | Rs. 5,00,000 |
| Rebate on purchase of raw materials | Rs. 20,000 |
| Wages to labourers | Rs. 75,000 |
| Depreciation of factory machinery | Rs. 12,000 |
| Factory electricity | Rs. 7,000 |
| Factory supervisors salary | Rs. 21,500 |

19. What are the purposes for which capital redemption reserve can be utilised?

20. From the following information prepare note to accounts on employees benefit expenses wages - Rs. 240000, salaries - Rs. 360000, entertainment expenses - Rs. 15000, bonus - Rs. 50000, gratuity paid - Rs. 120000, conveyance expense - Rs. 25000 and medical expenses - Rs. 40000.

21. From the following information calculate cash flow from financing activities:

- Long term loans 2019 - Rs. 2,00,000
- Long term loans 2020 - Rs. 2,50,000
- During the year the company repaid a loan of Rs. 1,00,000

22. Ratio of current assets (Rs. 8,75,000) to current liabilities (Rs. 3,50,000) is 2.5:1. The firm wants to maintain current ratio of 2:1 by purchasing goods on credit. Compute amount of goods that should be purchased on credit.

23. Working capital Rs. 3,60,000 Total debts Rs. 7,80,000, long term debts Rs. 6,00,000, inventories Rs. 1,80,000. Calculate liquid ratio.

(Ceiling: 35 Marks)

Part C (Essay questions)

Answer any *two* questions. Each question carries 10 marks.

24. Define financial Statements. Explain its features.

25. From the following balance sheet of Young India Ltd. prepare cash flow statement

| Particulars | Balance Sheet | |
|-------------------------------|---------------|---------------|
| | 31 March 2020 | 31 March 2019 |
| Equity and liabilities | | |
| Share capital | 2,50,000 | 2,00,000 |
| Reserve and surplus | 1,83,000 | 82,000 |
| 15% Debentures | 80,000 | 50,000 |
| Trade payable | 1,50,000 | 1,10,000 |
| Other current liabilities | 12,000 | 20,000 |
| Total | 6,75,000 | 4,62,000 |

Assets

| | | |
|---------------------------|----------|----------|
| Fixed assets | 2,74,000 | 1,17,000 |
| Non current investment | 68,000 | 55,000 |
| Inventories | 2,06,000 | 1,50,000 |
| Trade receivables | 95,000 | 70,000 |
| Cash and cash equivalents | 32,000 | 70,000 |
| Total | 6,75,000 | 4,62,000 |

26. The following is the trial balance of Ram Cement Co Ltd. on 31-03-2019.

| Debit balances | Rs. | Credit balance | Rs. |
|------------------------|-----------|------------------------|-----------|
| Stock (1-4-2018) | 75,000 | Sales | 3, 50,000 |
| Purchases | 2, 45,000 | Profit& loss statement | 15,030 |
| | | (31-03-18) | |
| Wages | 50,000 | Share capital | 1, 00,000 |
| Furniture and fitting | 17,000 | Equity share capital | 17,500 |
| Salaries | 7,500 | Sundry creditors | 5,000 |
| Rent | 4,950 | Reserve fund | 10,500 |
| Establishment expenses | 10,200 | Discount received | 5,000 |
| Sundry expenses | 7,050 | | |
| Interest | 9,000 | | |
| Debtors | 37,500 | | |
| Machinery | 29,000 | | |
| Cash in hand | 6,000 | | |
| Patents and trade mark | 4,830 | | |
| Total | 5,03,030 | | 5,03 030 |

Adjustment:

Stock on 31-03-2019 was worth Rs. 82,000

Depreciate fixed assets at 10%

Make provision for income tax at the rate of 50%.

Prepare statement of profit & loss for the year ended 31-3-2019 and the balance sheet as on that date in the prescribed form.

27. What are activity ratios? Discuss the important Activity Ratios.

(2 × 10 = 20 Marks)
