

THIRD SEMESTER UG DEGREE EXAMINATION, NOVEMBER 2025

(FYUGP)

CC24UCOP3MN203 - CORPORATE FINANCIAL STATEMENTS

(B.Com. Professional - Minor Course)

(2024 Admission - Regular)

Time: 2.0 Hours

Maximum: 70 Marks

Credit: 4

Part A (Short answer questions)Answer ***all*** questions. Each question carries 3 marks.

1. State Ind AS 1. [Level:2] [CO3]
2. Describe investing activities. [Level:2] [CO4]
3. Discuss the two broad classifications in a balance sheet. [Level:2] [CO3]
4. Explain cash outflows. [Level:2] [CO4]
5. Explain the concept asset. [Level:2] [CO1]
6. Explain Ind AS 16. [Level:2] [CO2]
7. Describe tax base. [Level:2] [CO2]
8. State the objective of Ind AS 23. [Level:2] [CO2]
9. Explain accounting profit under Ind AS 12. [Level:2] [CO2]
10. Describe the difference between amortisation and depreciation. [Level:2] [CO1]

(Ceiling: 24 Marks)**Part B (Paragraph questions/Problem)**Answer ***all*** questions. Each question carries 6 marks.

11. Describe the elements of the cost of inventories. [Level:2] [CO4]
12. Discuss the importance of Ind AS 38. [Level:2] [CO1]
13. A factory had a carrying value of ₹ 12 million. It has been revalued at ₹ 14 million. What is the accounting treatment in the first year? Also show the accounting treatment if it is revalued at ₹ 9 million in the second year. [Level:3] [CO1]
14. Discuss the importance of Ind AS 12. [Level:2] [CO2]

15. A company develops software for internal use. It incurs:

[Level:3] [CO1]

Research phase cost : ₹ 80,000

Development phase cost : ₹ 1,50,000

Testing cost : ₹ 20,000

Admin cost : ₹ 10,000

What amount should be capitalised as an intangible asset?

16. The following are the relevant pieces of information regarding Northern Ltd:

[Level:3] [CO1]

(a) Production in full capacity is 2,40,000 units per year. (b) Normal capacity is 1,80,000 units per year. (c) Actual production during financial year 2025-26 is 1,40,000 units. (d) Total fixed production overhead is ₹ 72,00,000. (e) Total variable production overhead is ₹ 35,00,000. (f) Out of 1,40,000 units produced during the financial year, 20,000 units are in stock at the end of the year.

How will the fixed and variable overheads be allocated to the inventories?

17. A Ltd. is building a sports stadium. It issues a bond, secured on the stadium, to finance 40% of the cost of the stadium. The funds are used exclusively in the construction of the stadium. Annual interest costs are ₹ 75 lakhs. State whether the interest costs are eligible borrowing costs.

[Level:3] [CO2]

18. A factory has a carrying amount of ₹ 20 million. It has been revalued at ₹ 19 million. How will you treat the decrease in value in the first year? If it is revalued at ₹ 22 million, what is the accounting treatment?

[Level:3] [CO1]

(Ceiling: 36 Marks)

Part C (Essay questions)

Answer any **one** question. The question carries 10 marks.

19. From the following details, prepare the balance sheet of Lakshya Ltd. For the year ending 31st March, 2025:

[Level:3] [CO3]

Particulars	Amount (₹)	Particulars	Amount (₹)
Share capital	6,50,000	Freight Charges	8,000
Cash and cash equivalents	3,55,520	Retained earnings	2,43,500
Trade receivables	91,600	Bank overdrafts 10,000	10,000
Inventories	1,35,230	Trade and other payables	90,100
Other current assets	23,650	Current tax payable	23,500
Property, plant and equipment	3,50,700	Bank loans	65,000
Goodwill	80,800	Deferred tax liabilities	5,800
Deferred tax assets	50,400		

20. The balance sheets of a limited company at 31.3.2024 and 31.3.2025 were as follows:

[Level:3] [CO4]

Assets	2023-24 (₹)	2024-25 (₹)
Non-current Assets:		
Fixed Assets	46,000	83,000
Current Assets:		
Stock	11,000	13,000
Trade Receivables	18,700	19,500
Cash and Cash Equivalents	3,000	3,000
Total Assets	78,700	1,18,500
Equity and Liabilities	2023-24	2024-25
Share Capital	45,000	65,000
Reserve and Surplus:		
General Reserve	5,000	7,500
Statement of P/L	10,000	15,000
Non-Current Liabilities:		
Debentures	10,000	20,000
Current Liabilities:		
Trade Payables	8,700	11,000
Total Equity and Liabilities	78,700	1,18,500

Additional information: Depreciation on fixed assets for the year 2023-24 was ₹

11,700. Prepare a cash flow statement.

Particulars :

(1 × 10 = 10 Marks)
