

22U332

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Name:

Reg. No:

THIRD SEMESTER B.B.A. DEGREE EXAMINATION, NOVEMBER 2023

(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. Define measurement of financial elements.
2. How is revaluation gain accounted as per Ind as 16?
3. What is a qualifying asset as per Ind as 23?
4. What are contingent liabilities?
5. What is Ind as 38?
6. When does a company create debenture redemption reserve?
7. Define debentures
8. What are the two sources of redemption of preference shares?
9. What do you mean by redemption of debentures by draw of lots?
10. State the uses of SOCE.
11. What is Ind as 7?
12. Give four examples of investing activities.
13. What is ratio analysis?
14. What is quick ratio?
15. Explain the term solvency.

(Ceiling: 25 Marks)

Part B (Paragraph questions)

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

16. What is the need for IFRS? convergence?
17. What are the elements of cost of inventories?
18. Explain the scope of Ind as 12 regarding income tax.
19. Maveli ltd. redeemed 5000, 10% debentures of Rs. 100 each which were issued at par redeemable at 5% premium by converting them into equity shares of Rs. 10 each at par on maturity. pass necessary journal entries.

(1)

Turn Over

20. Calculate revenue from operations, other income and total revenue sales Rs. 1200000, sales return Rs. 200000, sale of scrap 25000, interest on deposits -30000, dividend earned 10000, calculate revenue from operations, other income and total revenue for a financial company miscellaneous income- Rs. 5000, interest on loans - Rs. 800000, dividend - Rs. 100000, gain on sale of building - Rs. 1500000
21. How will you treat closing stock while preparing financial statement? Distinguish between reserve and provision.
22. From the following calculate gross profit ratio: gross profit: Rs. 50,000, revenue from operations: Rs. 5,00,000, sales return: Rs. 50,000
23. Calculate working capital turnover ratio from the following information: revenue from operations Rs. 3,00,000; current assets Rs. 12,50,000; total assets Rs. 20,00,000; noncurrent liabilities Rs. 10,00,000; shareholder Rs. fund Rs. 5,00,000.

(Ceiling: 35 Marks)

Part C (Essay questions)

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

24. Define financial statements. Explain its features.
25. Following are the balance of ABC limited as on 31st March, 2017:

Debit	Rs.	Credit	Rs.
Premises	30,72,000	Equity share capital	40,00,000
Plant	33,00,000	12% debentures	30,00,000
Stock	7,50,000	Surplus account	2,63,000
Debtors.	8,70,000	Bills payable	3,70,000
Goodwill	2,50,000	Creditors.	4,00,000
Bank	4,52,000	General reserve	2,50,000
Calls in arrears.	75,000	Sales	41,50,000
Interim dividend paid	6,00,000	Bad debts provision	35,000
Purchases	18,50,000		
Wages	7,71,000		
General expenses	74,000		
Salaries	2,03,000		
Bad debts	21,000		
Debenture interest paid	1,80,000		
	1,24,68,000		1,24,68,000

Additional information:

1. Depreciate plant by 10%.
2. Half year's debenture interest due.
3. Create 5% provision on debtors. for doubtful debts.

4. Provide for income tax @ 35%.
5. Stock on 31st march,2017was ₹9,50,000.
6. No final dividend is declared by the company.
7. Ignore corporate dividend tax.

Prepare statement of profit & loss and balance sheet as per schedule III

26. From the following information prepare cash flow statement.

Particulars.	Amount
Opening cash and bank balances	1,50,000
Closing cash and bank balances	1,70,000
Decrease in stock	80,000
Increase in bills payable	1,20,000
Sale of fixed asset	3,00,000
Repayment of long-term loan	5,00,000
Net profit for the year	20,0000

27. Calculate the following ratios from the following information:

- 1) Current ratio
 - 2) Acid test ratio
 - 3) Operating ratio
 - 4) Gross profit ratio
- Current assets Rs. 35,000
 Current liabilities Rs. 17,500
 Stock Rs. 15,000
 Operating expenses Rs. 20000
 Sales Rs. 60,000
 Cost of goods sold Rs. 30,000

(2 × 10 = 20 Marks)
