

BACHELOR OF COMMERCE (CBCS - 2018 COURSE)

T. Y. B. Com. Sem-V :SUMMER- 2022

SUBJECT : CORPORATE ACCOUNTING-III

Day : Friday
Date : 1/7/2022

S-18172-2022

Time : 11:00 AM-02:00 PM
Max. Marks : 60

N.B.

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Use of non-programmable calculator is allowed.

Q.1 What do you mean by Double Entry System? Enumerate its advantages. **(12)**

OR

What are Accounting Standards? Discuss Accounting Standard '20' in brief.

Q.2 From the following Trial balance and the additional information, Prepare the Balance Sheet of Lakshmi Bank Ltd. Schedule Commercial Bank as at 31st March, 2020. **(12)**

Particulars	₹ in Lakhs
Debit Balances:	
Cash credits	1,218.15
Cash in hands	240.23
Cash with Reserve Bank of India	67.82
Cash with other banks	132.81
Money at call and short notices	315.18
Gold	82.84
Government Securities	365.25
Current Accounts	42.00
Premises	133.55
Furniture	95.18
Term Loan	1189.32
	3,882.33
Credit Balances:	
Share Capital (29,70,000 Equity Shares of ₹ 10 each, fully paid up)	297.00
Statutory Reserves	346.50
Net Profit for the year (Before Appropriation)	225.00
Profit and Loss Account (Opening Balance)	618.00
Fixed Deposits Accounts	775.50
Saving Deposits Accounts	675.00
Current Accounts	780.18
Bills Payable	0.15
Borrowings from Other Banks	165.00
	3,882.33

Additional Information:

- 1) Bills for collection ₹ 18,10,000.
- 2) Acceptance and Endorsements ₹ 14,12,000
- 3) Claims against the Bank not acknowledged as debts ₹ 55,000
- 4) Depreciation charged on premises ₹ 1,10,000 and Furniture ₹ 78,000.

OR

Q.2 What is the definition of Banking company? Also state the Statutory Reserves requirement under Banking Company.

P.T.O.

- Q.3** On 30th June 2013 accidental fire destroyed a major part of the stocks in the godown of Ashok Associates. Stock costing ₹ 30,000 could be salvaged but not recorded in their stock ledgers. A fire insurance policy was in force under which the sum insured was ₹ 3,50,000. You are given the following data from available records. **(12)**
- 1) Total of sales invoice during the period April to June amounted to ₹ 30,20,000. An analysis showed that goods of the value of ₹ 3,00,000 had been returned by the customers before the date of fire.
 - 2) Opening stock on 1st April, 2018 was ₹ 2,20,000 including stock of value of ₹ 20,000 being lower of cost and net value subsequently realised.
 - 3) Purchases between 1st April 2018 and 30th June 2018 were ₹ 21,00,000.
 - 4) Normal gross profit ratio was 33.33%.
 - 5) A sum of ₹ 30,000 was incurred by way of fire fighting expenses on the day of the fire. Prepare a statement of insurance claim.

OR

Q.3 Explain Memorandum Trading Account and Average clause in Insurance Claims.

Q.4 Mr. Madhavan commenced business on 1st January 2018. He opened a bank Account with ₹ 40,000. All his business expenses had been met by cheques. **(12)**

a) **Analysis of the Bank Pass Book showed the following**

Particulars	₹
Purchases of Furniture	10,000
Paid for purchases	80,000
Salaries	12,000
Rent, Rates and Taxes etc.	5,200
Other Office Expenses	6,000

His sales for the Year 2018 amounted to ₹ 1,16,000 which were for cash only. The value of stock on 31st December, 2018 is ₹ 13,200.

b) **On 31st December, 2018 the position was:**

Particulars	₹
Due of Purchases	20,000
Due for Rent	400
Rates Prepaid	200

During the year Madhavan took goods from stock costing ₹ 4,000 for his private consumption and also took ₹ 6,000 cash for his personal use. During the year he paid ₹ 1,000 to his son but he omitted to record this in his books. He bought second hand motor car for ₹ 10,000 for his personal use out of the takings. He paid cash ₹ 1,000 to a friend in exchange for a cheque which was dishonoured subsequently and amount is still showing to him. Furniture is to be written off at the rate of 10% per annum for full year. You are required to prepare the final account of the year ended on 31st December, 2018.

OR

Q.4 Distinguish between Single Entry System and Double Entry System.

Q.5 Write short notes on any **THREE** of the following: **(12)**

- a) Total Debtors Account
- b) Accounting Standard 12
- c) Accounting Standard 19
- d) Money at call and short notices
- e) Advantages of accounting standard