

PSG COLLEGE OF ARTS & SCIENCE  
(AUTONOMOUS)

BCom DEGREE EXAMINATION DECEMBER 2025  
(Fifth Semester)

Branch: COMMERCE (COST & MANAGEMENT ACCOUNTING)

HIGHER CORPORATE ACCOUNTING

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(10 × 1 = 10)

| Module No. | Question No. | Question   | K Level | CO  |
|------------|--------------|--|---------|-----|
| 1          | 1            | Which of the following is the Accounting standard for amalgamation?<br>(a) AS-8 (b) AS-20 (c) As-14 (d) As-3   | K1      | CO1 |
|            | 2            | Any gain on revaluation of the assets at the time of internal reconstruction will be credited to.....<br>(a) Capital Reserve a/c (b) Capital reduction a/c<br>(c) Share premium a/c (d) General reserve a/c  | K2      | CO1 |
| 2          | 3            | Which of the following account, interest on debenture is included under double accounts system?<br>(a) Revenue a/c (b) Net revenue a/c<br>(c) Capital a/c (d) General balance sheet                          | K1      | CO2 |
|            | 4            | Which of the following account Cost of license is included?<br>(a) General balance sheet (b) Capital a/c<br>(c) Revenue a/c (d) Net revenue a/c  | K2      | CO2 |
| 3          | 5            | Identify an asset does not generate income to the banker?<br>(a) Performing assets (b) Fixed assets<br>(c) Non-Performing assets (d) Current assets  | K1      | CO3 |
|            | 6            | Identify under which head Demand draft and telegraphic transfers are shown in the bank accounts?<br>(a) Contingent liabilities (b) bills payable<br>(c) loans and advances (d) Borrowings                    | K2      | CO3 |
| 4          | 7            | Identify Claims paid by life insurance companies is shown in which schedule?<br>(a) Schedule 1 (b) Schedule 2 (c) Schedule 3 (d) Schedule 4  | K1      | CO4 |
|            | 8            | Mention Leasehold Ground Rents are shown in which account?<br>(a) Revenue a/c (b) P & L a/c<br>(c) Schedule 8 investments (d) Schedule 9 loans   | K2      | CO4 |
| 5          | 9            | Every Electric supply company shall prepare its accounts to 31 <sup>st</sup> march and shall render them to the State government within ..... Months<br>(a) 6 (b) 12 (c) 3 (d) by next date of preparation   | K1      | CO5 |
|            | 10           | Which of the following shows Annexure V- No II Shows?<br>(a) Statement of capital expenditure<br>(b) Statement of revenue expenditure<br>(c) General balance sheet<br>(d) Statement of contingencies reserve | K2      | CO5 |

SECTION - B (35 Marks)

Answer ALL questions

ALL questions carry EQUAL Marks

(5 × 7 = 35)

| Module No. | Question No. | Question  | K Level | CO  |
|------------|--------------|---|---------|-----|
| 1          | 11.a.        | Compute Purchase consideration, if Spring field Ltd. is absorbed by Sports Field Ltd., the consideration being<br>(1) The taking over of the trade liabilities of Rs. 4000;<br>(2) The payment of cost absorption of Rs. 15,000;<br>(3) The repayment of 'B' debentures of Spring Field Ltd. of Rs. 2,00,000 at par;<br>(4) The discharge of 'A' debentures of Rs. 3,00,000 is the Vendor Co, at a premium of 10% by the issue of 8% debenture is Sports Field Ltd, at par;<br>(5) A payment of Rs. 20 per share in cash and the exchange of 4 fully paid Rs. 10 shares in Sports Field Ltd. at a market price of Rs. 15 per share for every Rs. 50 share in Spring Filed Ltd. which were 40,000 in number. | K2      | CO1 |
|            |              | (OR)  |         |     |

Cont...

|   |       |   |    |     |
|---|-------|---|----|-----|
|   | 11.b. | Write journal entries for the following transactions in connection with internal reconstruction:<br>(i) 30,000 equity shares of Rs. 10 each fully paid reduced to shares of rs.5 each fully paid.<br>(ii) 300 9% debentures of Rs. 1,000 each converted into 1,500 12 debentures of Rs. 100 each.<br>(iii) The debit balance of profit and loss account Rs. 1,50,000 and the preliminary expenses Rs. 30,000 were written off,<br>(iv) The value of Plant & Machinery and Stock were written down by Rs. 60,000 and Rs. 30,000 respectively   | K2 | CO1 |
| 2 | 12.a. | A water supply concern had to replace a quarter of the mains and lay an auxiliary main for the remaining length in order to augment supplies of water to a locality. The total cost of the original main was Rs. 4,00,000. The auxiliary main cost Rs. 4,50,000 and the new main cost Rs. 1,75,000. It is estimated that the cost of laying a main has gone up by 30%. Part of the old main realized Rs. 15,000.  | K3 | CO2 |
|   | (OR)  |   |    |     |
|   | 12.b. | How to compute the amount to be capitalised in case of replacement of an asset under double account system?   |    |     |
| 3 | 13.a. | From the following balances prepare single column P&LA A/c of Lakshmi Bank Ltd. for the year ending 31-12-2020.<br><br>Rs. In '000<br>Interest on cash credits and loans 1,790<br>Interest on deposits 620<br>Administrative expenses 80<br>Discount 210<br>Commission & Exchange 300<br>Rebate on Bills discounted 1.1.2020 90<br>Define the profit after making a provision for Rebate on Bills discounted Rs. 2,90,000.  | K3 | CO3 |
|   | (OR)  |   |    |     |
|   | 13.b. | Prepare the profit and loss account for the year ended 31.12.2021 of Kasinathan Bank Ltd., from the following particulars<br>(Rs. In '000)<br>Investment on loans 250<br>Interest on savings account 150<br>Interest on cash credits 160<br>Interest on Fixed deposits 190<br>Interest on Overdrafts 50<br>Amount charged against current accounts 20<br>Rebate on Bills discounted 19<br>Salaries and allowances 120<br>Discount 40<br>Rent, Tax, Insurance etc 5<br>Dearness Allowances 35<br>Commission, Brokerage and exchange 15<br>Managing Director Salary 15<br>Contribution to Provident fund 10 |    |     |
| 4 | 14.a. | A Life Assurance Company prepared its Revenue A/c for the year ended 31.03.2016 and ascertained its Life Assurance fund to be Rs. 28,35,000. It was found later that the following had been omitted from the accounts:<br>(a) Interest accrued on investments Rs. 39,000;<br>(b) Out Standing Premium Rs. 32,800<br>(c) Bonus utilised for reduction of Premium Rs. 6,750;<br>(d) Claims intimated but not admitted rs. 17,400<br>(e) Claims covered under reinsurance Rs. 6,500.<br>What is the true-life Assurance Fund?  | K3 | CO4 |
|   | (OR)  |   |    |     |

|   |   |   |                                |          |    |     |
|---|---|---|--------------------------------|----------|----|-----|
| 14.b.   | The following figures relate to Life Insurance Corporation for the year ended 31.03.2017. Prepare the Revenue A/c |   |                                |          | K3 | CO4 |
|   |   | Rs. '000  |                                | Rs. '000 |    |     |
|   | Claims  | 39  | Consider for annuities granted | 16.5     |    |     |
|   | Management Expenses   | 14  | Surrenders                     | 9        |    |     |
|   | Director's fees   | 4   | Premium Received               | 151      |    |     |
|   | Audit fees  | 3   | Life Fund (1.4.16)             | 1150     |    |     |
|   | Mdical Expenses   | 0.5   | Interest received              | 10       |    |     |
|   | Agents Commision  | 5   | Claims cancelled               | 0.5      |    |     |
|   | Depriciation  | 4   | Annuities                      | 1.5      |    |     |
|   | Bonus in reduction of Premium   | 1.5   |                                |          |    |     |
| Note: (a) Premium outstanding Rs. 9 Thousand<br>(b) Claims outstanding Rs. 3 Thousand |   |   |                                |          |    |     |
| 5   | 15.a.   | An electricity company earned a profit of Rs. 18,50,000 during 2013-14. The capital base was Rs. 1,50,000 after deducting the Electricity Board loan of Govt. securities. Calculate Reasonable Return and amount refundable to consumers. (Assume RBI Rage as 8%) |                                |          | K3 | CO5 |
|   | (OR)  |   |                                |          |    |     |
|   | 15.b.   | Write a Notes on<br>(i) Development Reserve<br>(ii) Tariffs and Dividend Control Reserve.   |                                |          |    |     |

**SECTION -C (30 Marks)**

Answer ANY THREE questions

ALL questions carry EQUAL Marks

(3 × 10 = 30)

| Module No. | Question No. | Question   | K Level      | CO           |                   |              |              |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|------------|--------------|--|--------------|--------------|-------------------|--------------|--------------|--------------|------------------------------|----------|-----------|------------------|----------|----------|------------------|--------|--------|-------------------|----------|----------|---------------|--------|--|----------|--------|--------|-----------|--------|--|-------|--------|----------|--|--|--|----------------|--------|----------|--|--|--|--------------|--------|--------|--|--|--|-----------|--|--------|--|--|--|---------|--|--------|--|----------|-----------|--|----------|-----------|----|-----|
| 1          | 16           | <p>Prepare Journal entries in the books of the two companies to close their books. Blue Ltd. and Star Ltd. whose balance sheets on 1<sup>st</sup> January 2021 are given below decided to amalgamate under the name of Blue Star Ltd. which was floated for the purpose with an authorized capital of 20,000 shares of Rs. 100 each.</p> <p><b>Balance Sheet of Blue Star Ltd. and Star Ltd. as on 1<sup>st</sup> Jan 2021</b></p> <table><tr><th>Liabilities</th><th>Blue Ltd. Rs</th><th>Star Ltd. Rs</th><th>Assets</th><th>Blue Ltd. Rs</th><th>Star Ltd. Rs</th></tr><tr><td>Shares of 10 each fully paid</td><td>5,00,000</td><td>10,00,000</td><td>Land &amp; Buildings</td><td>3,00,000</td><td>4,00,000</td></tr><tr><td>Sundry Creditors</td><td>50,000</td><td>80,000</td><td>Plant &amp; Machinery</td><td>2,00,000</td><td>3,00,000</td></tr><tr><td>6% Debentures</td><td>50,000</td><td></td><td>Goodwill</td><td>50,000</td><td>50,000</td></tr><tr><td>P &amp; L A/c</td><td>50,000</td><td></td><td>Stock</td><td>20,000</td><td>1,00,000</td></tr><tr><td></td><td></td><td></td><td>Sundry Debtors</td><td>20,000</td><td>1,20,000</td></tr><tr><td></td><td></td><td></td><td>Cash at Bank</td><td>60,000</td><td>50,000</td></tr><tr><td></td><td></td><td></td><td>P &amp; L A/c</td><td></td><td>50,000</td></tr><tr><td></td><td></td><td></td><td>Patents</td><td></td><td>10,000</td></tr><tr><td></td><td>6,50,000</td><td>10,80,000</td><td></td><td>6,50,000</td><td>10,80,000</td></tr></table> <p>Blue star Ltd. took over all assets except cash at bank but considered goodwill of Star Ltd. as valueless. It also agreed to take over trade creditors. It also agreed to take over trade creditors. It agreed to issue fully paid shares to the liquidators of the two companies.</p> | Liabilities  | Blue Ltd. Rs | Star Ltd. Rs      | Assets       | Blue Ltd. Rs | Star Ltd. Rs | Shares of 10 each fully paid | 5,00,000 | 10,00,000 | Land & Buildings | 3,00,000 | 4,00,000 | Sundry Creditors | 50,000 | 80,000 | Plant & Machinery | 2,00,000 | 3,00,000 | 6% Debentures | 50,000 |  | Goodwill | 50,000 | 50,000 | P & L A/c | 50,000 |  | Stock | 20,000 | 1,00,000 |  |  |  | Sundry Debtors | 20,000 | 1,20,000 |  |  |  | Cash at Bank | 60,000 | 50,000 |  |  |  | P & L A/c |  | 50,000 |  |  |  | Patents |  | 10,000 |  | 6,50,000 | 10,80,000 |  | 6,50,000 | 10,80,000 | K3 | CO1 |
|            |              | Liabilities  | Blue Ltd. Rs | Star Ltd. Rs | Assets            | Blue Ltd. Rs | Star Ltd. Rs |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              | Shares of 10 each fully paid   | 5,00,000     | 10,00,000    | Land & Buildings  | 3,00,000     | 4,00,000     |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              | Sundry Creditors   | 50,000       | 80,000       | Plant & Machinery | 2,00,000     | 3,00,000     |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              | 6% Debentures  | 50,000       |              | Goodwill          | 50,000       | 50,000       |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              | P & L A/c  | 50,000       |              | Stock             | 20,000       | 1,00,000     |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              |  |              |              | Sundry Debtors    | 20,000       | 1,20,000     |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              |  |              |              | Cash at Bank      | 60,000       | 50,000       |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              |  |              |              | P & L A/c         |              | 50,000       |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              |  |              |              | Patents           |              | 10,000       |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            | 6,50,000     | 10,80,000  |              | 6,50,000     | 10,80,000         |              |              |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              |  |              |              |                   |              |              |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              |  |              |              |                   |              |              |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              |  |              |              |                   |              |              |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              |  |              |              |                   |              |              |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              |  |              |              |                   |              |              |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              |  |              |              |                   |              |              |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              |  |              |              |                   |              |              |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              |  |              |              |                   |              |              |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              |  |              |              |                   |              |              |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
| 2          | 17           | <p>Jaipur Electric Supply Co. Ltd. (Which adopts the double account system) rebuilt and re-equipped a power station and the connecting lines during the year 2014. For this purpose, they purchased materials of Rs. 10,85,000 and used stores worth Rs. 4,90,000 from their exiting stocks. The cost of labour came to Rs. 5,22,000. The estimated supervisory overheads attributed to these projects were Rs. 13,000. The station was erected in 1974 at a cost of Rs. 5,00,000 and index of costs in this line stood in 2014 at 385, taking 1974 as the base year. Discarded materials from the old station fetched Rs. 12,000. Show journal entries to record the above transactions and give working notes showing how you arrived at the figures.</p>  | K3           | CO2          |                   |              |              |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              |  |              |              |                   |              |              |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              |  |              |              |                   |              |              |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              |  |              |              |                   |              |              |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              |  |              |              |                   |              |              |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              |  |              |              |                   |              |              |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              |  |              |              |                   |              |              |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              |  |              |              |                   |              |              |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              |  |              |              |                   |              |              |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |
|            |              |  |              |              |                   |              |              |              |                              |          |           |                  |          |          |                  |        |        |                   |          |          |               |        |  |          |        |        |           |        |  |       |        |          |  |  |  |                |        |          |  |  |  |              |        |        |  |  |  |           |  |        |  |  |  |         |  |        |  |          |           |  |          |           |    |     |

Cont...

| 3   | 18     | <p>XY Bank Ltd., Prepare a Balance Sheet as on 31.03.2016 in the revised format of XY Bank Ltd.</p> <table><tr><td></td><td>Rs.</td></tr><tr><td>Authorised Capital</td><td>4,000</td></tr><tr><td>Subscribed Capital</td><td>2,000</td></tr><tr><td>Investments</td><td>7,000</td></tr><tr><td>Bills discounted</td><td>15,000</td></tr><tr><td>Profit and Loss A/c Cr</td><td>850</td></tr><tr><td>Endorsement on bills for collection</td><td>100</td></tr><tr><td>Liability of Customers for acceptances</td><td>5,000</td></tr><tr><td>Money at call and short notice</td><td>9,000</td></tr><tr><td>Cash in Hand</td><td>2,000</td></tr><tr><td>Cash with RBI</td><td>4,000</td></tr><tr><td>Statutory reserve</td><td>3,000</td></tr><tr><td>Cash with State Bank of India</td><td>4,000</td></tr><tr><td>Letters of Credit issued</td><td>500</td></tr><tr><td>Telegraphic transfers Payable</td><td>800</td></tr><tr><td>Bank drafts Payable</td><td>1,200</td></tr><tr><td>Short loans</td><td>40</td></tr><tr><td>Rebate on Bills Discounted</td><td>10</td></tr><tr><td>Acceptance for customers</td><td>5,000</td></tr><tr><td>Loans and Advances</td><td>10,000</td></tr><tr><td>Cash Credit</td><td>10,000</td></tr><tr><td>Overdraft</td><td>1,000</td></tr><tr><td>Bills Purchased</td><td>1,000</td></tr><tr><td>Current and deposit accounts</td><td>56,000</td></tr><tr><td>Investment fluctuation fund</td><td>100</td></tr><tr><td>Bill for collection</td><td>100</td></tr><tr><td>Buildings</td><td>1,000</td></tr></table> |          | Rs. | Authorised Capital | 4,000 | Subscribed Capital | 2,000 | Investments | 7,000 | Bills discounted | 15,000 | Profit and Loss A/c Cr         | 850 | Endorsement on bills for collection | 100   | Liability of Customers for acceptances | 5,000 | Money at call and short notice | 9,000 | Cash in Hand                 | 2,000 | Cash with RBI                       | 4,000 | Statutory reserve | 3,000 | Cash with State Bank of India                 | 4,000 | Letters of Credit issued | 500 | Telegraphic transfers Payable | 800 | Bank drafts Payable | 1,200 | Short loans | 40 | Rebate on Bills Discounted | 10 | Acceptance for customers | 5,000 | Loans and Advances | 10,000 | Cash Credit | 10,000 | Overdraft | 1,000 | Bills Purchased | 1,000 | Current and deposit accounts | 56,000 | Investment fluctuation fund | 100 | Bill for collection | 100 | Buildings | 1,000 | K4 | CO3 |
|---|--------|---|----------|-----|--------------------|-------|--------------------|-------|-------------|-------|------------------|--------|--------------------------------|-----|-------------------------------------|-------|--|-------|--------------------------------|-------|------------------------------|-------|-------------------------------------|-------|-------------------|-------|---|-------|--------------------------|-----|-------------------------------|-----|---------------------|-------|-------------|----|----------------------------|----|--------------------------|-------|--------------------|--------|-------------|--------|-----------|-------|-----------------|-------|------------------------------|--------|-----------------------------|-----|---------------------|-----|-----------|-------|----|-----|
|   | Rs.    |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Authorised Capital                            | 4,000  |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Subscribed Capital                            | 2,000  |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Investments                                   | 7,000  |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Bills discounted                              | 15,000 |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Profit and Loss A/c Cr                        | 850    |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Endorsement on bills for collection           | 100    |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Liability of Customers for acceptances        | 5,000  |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Money at call and short notice                | 9,000  |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Cash in Hand                                  | 2,000  |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Cash with RBI                                 | 4,000  |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Statutory reserve                             | 3,000  |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Cash with State Bank of India                 | 4,000  |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Letters of Credit issued                      | 500    |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Telegraphic transfers Payable                 | 800    |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Bank drafts Payable                           | 1,200  |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Short loans                                   | 40     |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Rebate on Bills Discounted                    | 10     |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Acceptance for customers                      | 5,000  |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Loans and Advances                            | 10,000 |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Cash Credit                                   | 10,000 |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Overdraft                                     | 1,000  |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Bills Purchased                               | 1,000  |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Current and deposit accounts                  | 56,000 |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Investment fluctuation fund                   | 100    |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Bill for collection                           | 100    |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Buildings                                     | 1,000  |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| 4   | 19     | <p>Prepare a Revenue A/c and a Valuation Balance Sheet as at 31.03.2020 showing surplus for policy holders.</p> <table><tr><th colspan="2">Rs. '000</th><th colspan="2">Rs. '000</th></tr><tr><td>Claim Paid</td><td>450</td><td>Surrenders</td><td>150</td></tr><tr><td>Premium</td><td>3,750</td><td>Bonus in Reduction of premiums</td><td>7.5</td></tr><tr><td>Interest, dividends and rents</td><td>2,250</td><td>Commission</td><td>60</td></tr><tr><td>Profit on sale of investments</td><td>12</td><td>Life Assurance fund (1.4.05)</td><td>6,000</td></tr><tr><td>Consideration for annuities granted</td><td>20</td><td></td><td></td></tr><tr><td>Net Liabilities on policies in force 31.03.20</td><td>8,425</td><td></td><td></td></tr></table>  | Rs. '000 |     | Rs. '000           |       | Claim Paid         | 450   | Surrenders  | 150   | Premium          | 3,750  | Bonus in Reduction of premiums | 7.5 | Interest, dividends and rents       | 2,250 | Commission                             | 60    | Profit on sale of investments  | 12    | Life Assurance fund (1.4.05) | 6,000 | Consideration for annuities granted | 20    |                   |       | Net Liabilities on policies in force 31.03.20 | 8,425 |                          |     | K3                            | CO4 |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Rs. '000                                      |        | Rs. '000  |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Claim Paid                                    | 450    | Surrenders  | 150      |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Premium                                       | 3,750  | Bonus in Reduction of premiums  | 7.5      |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Interest, dividends and rents                 | 2,250  | Commission  | 60       |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Profit on sale of investments                 | 12     | Life Assurance fund (1.4.05)  | 6,000    |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Consideration for annuities granted           | 20     |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| Net Liabilities on policies in force 31.03.20 | 8,425  |   |          |     |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |
| 5   | 20     | <p>Prepare (i) Balance Sheets as on 31.12.13 on the basis of the Single Account System, and (ii) the Capital A/c and the Generic Balance Sheet, as on the same date, under the Double Account System:</p> <p>Authorised Capital: 3,000 shares of Rs. 10 each, of which issued and paid-up capital is Rs. 27,000; 6% Debentures Rs. 3000; Trade creditors Rs. 1,600; Trade Debtors Rs. 3,800; cash at Bank Rs. 3,500; Stock –in-Trade Rs. 2,400; Profit &amp; Buildings Rs.1,300; Depreciation Fund (Machinery) Rs. 2,500.</p>   | K3       | CO5 |                    |       |                    |       |             |       |                  |        |                                |     |                                     |       |  |       |                                |       |                              |       |                                     |       |                   |       |   |       |                          |     |                               |     |                     |       |             |    |                            |    |                          |       |                    |        |             |        |           |       |                 |       |                              |        |                             |     |                     |     |           |       |    |     |