

# **CORPORATE ACCOUNTING –BM306S**

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***Students are asked to refer Reddy & Murthy's corporate accounting book***

***Students are advised to learn how to solve below mentioned model problems and not expect the same problem in semester exam .***

## **UNIT I – ISSUE OF SHARES**

### **PART A**

1. Explain difference kinds of shares?
2. Problems:
  1. A, Issue of shares with call in arrear What is meant by allotment of shares?
  2. What is pro-rata allotment?
  3. What is call in arrears?
  4. What is meant by over-subscription?
  5. What do you understand by calls in advance?
  6. For what purpose security premium can be uses?
  7. Explain forfeiture of shares
  8. When can share be forfeited?
  9. Give journal entries when company forfeit shares and reissue?
  10. What is Shares?
  11. What do you understand by issue of shares at premium?

### **PART B**

1. Explain the provisions relating to issues of shares at premium and discount?
2. Explain the provision under section 78 for the use of share premium?
3. PROBLEMS:
  - A. Simple problems in issue for other than cash:
    - Page no- 1.105 problem no 9
    - Page no -1.109 problem no 5
  - B. Forfeiture and reissue
    - Page no -1.106 problem no12, 15, 16
    - Page no -1.107 problem no 17, 20
  - c. Issue of shares – simple problem
    - Page no-1.10 problem no 6 , 9

### **PART-C**

1. Explain different kinds of shares?
2. PROBLEMS:
  - A, Issue of shares with call in arrear
    - Page no – 1.111 problem no 11
    - Page no – 1.112 problem no 14
    - page no – 1.114 problem no 23
  - B, Issue of shares with forfeiture and reissue:
    - page no- 1.116 problem no30
    - page no 1.117.....34, 35
    - Page no 1.118 .....42
  - C, Issue of shares with pro-rata allotment :
    - Page no 1.122.....48, 49
    - Page no 1.123.....51

## **UNIT II – ACQUISITION OF BUSINESS / PROFIT PRIOR TO INCORPORATION**

### **SECTION-A**

#### **PART-A**

1. What is meant acquisition of business?
2. Write a note on vendor suspense Account?
3. What is meant by purchase consideration?

#### **PART- B**

1. Give the entry to be passed by company on purchase of running business?
2. Calculation of purchase consideration (pg no 5.36 problem no 1)
3. Calculation of goodwill / capital reserve (pg no 5.36 problem no 4,5)
4. Calculation of commission and due amount
  - Page no 5.37 problem no 6, 7
  - Page no 5.44 .....11, 12

#### **PART – C**

1. What is acquisition of business? Explain the methods of calculating purchasing consideration?
2. PROBLEMS
  - 1.Acquisition of business only :( pg .no:5. 39.....2)
  - 2.acquisition of business plus issue of shares ;(pg.no:5.39 .....3,8)
  - 3.acquisition of business plus collection of debtor:(pg.no:5.47.....16)

### **SECTION-B**

#### **PART A**

1. Explain the meaning of profit prior to incorporation?
2. How do you calculate time ratio and sales ratio?

#### **PART B**

1. Calculate of ratio  
Pg.no:6.34.....1, 3  
Pg.no:6.36 .....8, 9
2. Calculation of prior to incorporation  
pg. no:6.37.....15,16  
pg.no:6.38.....1

#### **PART C**

1. List out the expenses and its ratio?
2. Calculation of prior to incorporation: Pg no 6.38.....2  
Pg no 6.44.....12  
Pg no 6.50.....18

### **UNIT III FINAL ACCOUNTS**

#### **PART A**

1. What are tangible assets?
2. Give the short note on shareholder funds?
3. Define current assets
4. Define term dividend
5. What is meant by inter in dividend
6. What do you know about proposed dividend?
7. State the expenses placed under final cost?
8. What is extra- ordinary item?
9. What is meant by non-current assets?
10. What is meant by corporate dividend tax?

#### **PART B**

1. Explain the accounting treatment of inter in dividend and final dividend?
2. Explain the accounting treatment of corporate dividend tax?
3. State the rules regarding transfer of profit?
4. What are the sources of dividend?
5. Simple problem –preparation of profit & loss account
6. Preparation of balance sheet (pg no 7.87.....4)
7. Calculation of managerial remuneration

#### **PART C**

1. Give the format of statement of profit and loss and balance sheet as per revised format?
2. Preparation of profit and loss account balance sheet (pg no 7.92.....10);(pg no 7.93.....11)

## **UNIT IV LIQUIDATION OF COMPANIES**

### **PART A**

1. What is liquidation?
2. Write a note on voluntary winding up?
3. Who is liquidation?
4. What is meant by liquidator final statement?
5. Who are preferential creditors?
6. What is the under in which liabilities are discharges?
7. Write a note on contributory?
8. Who is list A contributory & list B contributory?

### **PART B**

1. What are various methods of winding up a company? Explain?
2. State the various notes of liquidating of a company
3. Distinguish between statement of affairs and balance sheet?
4. Calculation of liquidator commission (pg no 11.62....6); (pg no 11.63....9,10) (pg no 11.64.....14)
5. Liquidator final statement – simple problem (pg no 11.72.....9,11)(pg no 11.74....13,14)

### **PART C**

1. Problem (pg no 11.76...18) (pg no 11.78....21)(pg no 11.86....35)

## **UNIT V –BANK ACCOUNTS**

### **PART A**

1. What is rebate on bills Discounted ?
2. Explain the meaning of Non- performing assets?
3. Write a note on non banking assets?
4. What is statutory reserve?
5. What do you understand by Contigent liabilities?
6. What is cash reserve?
7. What is meant by statutory liquidity ratio?
8. What is meant by standard assets?
9. Define sub-standard assets?
10. What is Short -loans?

### **PART-B**

#### **PROBLEMS:**

1. Calculation of rebate on bills discounted (pg no:12.94.....3,4) (pg no:12.100....6)
2. Preparation of profit and loss account (pg no 12.97....15&16)
3. Calculation of doubtful assets & provision (pg no12.98...1&2)

**PART-C**

1. Explain the various schedules to be prepared by commercial bank?
2. PROBLEMS:
  - (A) Preparation of profit & loss account of bank(pg no 12.102...10) (pg no 12.106....14)
  - (B) Preparation of balance sheet (pg no 12.112.....24) (pg no 12.116....28)