A N N A M A L A I U N I V E R S I T Y

(Accredited with 'A+' Grade by NAAC)

DIRECTORATE OF DISTANCE EDUCATION

Annamalainagar – 608 002

Semester Pattern: 2023-24

Instructions to submit Fifth Semester Assignments

1. Following the introduction of semester pattern, it becomes **mandatory for candidates to submit assignment for each course.**
2. Assignment topics for each course will be displayed in the A.U, DDE website (**www.audde.in**).
3. Each assignment contains 5 questions and the candidate should answer all the 5 questions. Candidates should submit assignments for each course separately. (5 Questions x 5 Marks =25 marks).
4. Answer for each assignment question should not exceed 4 pages. Use only A4 sheets and write on one side only. **Write your Enrollment number on the top right corner** of all the pages.
5. Add a template / content page and provide details regarding your Name, Enrollment number, Programme name, Code and Assignment topic. Assignments without template / content page will not be accepted.
6. Assignments should be handwritten only. Typed or printed or photocopied assignments will not be accepted.
7. **Send all Fifth semester assignments in one envelope**. Send your assignments by Registered Post to The Director, Directorate of Distance Education, Annamalai University, Annamalai Nagar – 608002.
8. Write in bold letters, "ASSIGNMENTS – FIFTH SEMESTER" along with PROGRAMME NAME on the top of the envelope.
9. Assignments received after the **last date with late fee** will not be evaluated.

Date to Remember

Last date to submit fifth semester assignments	:	**15.11.2023**
Last date with late fee of Rs.300 (three hundred only)	:	**30.11.2023**

Dr. T.SRINIVASAN
Director

B.Com FIFTH SEMESTER

009E3510 - PART III - AUDITING

1. **(a)** Explain the objectives of Auditing.

(b) Differentiate between Book-keeping, Accountancy and Auditing.

2. **(a)** What is an audit programme? Enumerate its advantages and disadvantages.

(b) State the important points to be borne in mind while deciding good internal check system.

3. How do you vouch the following?

(a) Cash Sales

(b) Petty Cash Book

(c) Purchase of investment.

4. What do you mean by Verification of Assets? How does it differ from Valuation of Assets? Explain the audit procedure for verification of stock.

5. **(a)** Describe the Rights and Powers of Company Auditors.

(b) What are the liabilities of an auditor according to the provisions of Indian Companies Act?

009E3520 - PART III – CORPORATE ACCOUNTING

1. Pooja Ltd., issued for public subscription 2,00,000 equity shares at Rs.100 each at a premium of Rs. 20 per share, payable as under:

On Application	-	Rs.20 per share
On Allotment	-	Rs.50 per share (including premium)
On I call	-	Rs.20 per share and
On II call	-	Rs.30 per share.

Application was received for 3,00,000 shares. The shares were allotment pro-rata to the applications for 2,40,000 shares, the remaining applications being rejected. Money over paid on applications was utilised towards sum due on allotment. Ravi to whom 8,000 shares were allotted, failed to pay allotment and calls money and Raja to whom 10,000 shares were allotted failed to pay two calls. These shares were forfeited after making second call. All the forfeited shares were sold to Kalyan as fully paid up at Rs.80 per share. Pass journal entries in the company's books.

2. The following is the Trial Balance of Karpagam & Co, Ltd as on 31.03.2010 with the authorized capital of 72,000 shares of Rs.10 each.

Particulars	***Debit (Rs.)***	***Credit (Rs.)***
Cash in hand	900	
Cash at Bank	3,55,980	
P & L a/c balance		17,400
Creditors		60,000
Debentures		3,60,000
Share Capital (Called Up)		5,52,000
Bills Payable		45,600
Sales		4,98,000
Reserve for bad debts		4,200
General Reserve		30,000
Calls in arrears	9,000	
Wages	92,760	
Land and Buildings	3,60,000	
Plant and Machinery	4,32,000	
General Expenses	20,280	
Salaries	17,400	
Interim dividend paid	9,000	
Furniture	40,000	
Purchases	2,29,880	
	15,67,200	**15,67,200**

Adjustments:

1) Outstanding wages Rs.6,000; Salaries Rs.3,000.
2) General expenses include prepaid insurance @ Rs.300
3) Provide depreciation on land and buildings, plant and machinery and furniture at 5%, 10% and 20% respectively.
4) Stock on 31.03.2010 amounted to Rs. 1,40,000.
5) Outstanding interest on debenture is Rs. 18,000
6) Final dividend paid is Rs.21,000.

Prepare Final Accounts.

3. X Ltd. and Y Ltd. doing the same type of business agree to amalgamate as from 1st January 2011 on which date their respective Balance Sheet were as follows:

Balance Sheet

Liabilities	***X Ltd. Rs.***	***Y Ltd Rs.***	***Assets***	***X Ltd. Rs***	***Y Ltd Rs.***
Share Capital @ Rs.10 each	2,50,000	2,00,000	Land & Building	2,00,000	1,50,000
Reserve Fund	1,50,000	1,50,000	Plant & Machinery	1,50,000	60,000
Profit & Loss	2,00,000	1,00,000	Stock	1,50,000	40,000
Creditors	1,00,000	1,00,000	Debtors	1,00,000	2,00,000
			Cash	50,000	75,000
			Bank	50,000	25,000
	7,00,000	**5,50,000**		**7,00,000**	**5,50,000**

A new company XY Ltd. is formed with an capital of Rs.25,00,000 divided into equity shares of Rs.10 each to acquire the business (all assets and liabilities) of both X Ltd. and Y Ltd. The purchase consideration is agreed at Rs.9,00,000 for X Ltd. and Rs. 6,00,000 for Y Ltd. payable in fully paid-up shares of XY Ltd. The land & buildings of X Ltd. are valued at Rs.2,50,000 and that of Y Ltd. at Rs.2,00,000.

Give journal entries and ledger accounts to close the books of X Ltd. and Y Ltd. Also give opening entries in the books of XY Ltd. and prepare their opening Balance Sheet.

4. ABC Ltd. passed a resolution and got a court permission for the reduction of its share capital by Rs.5,00,000 for the purpose mentioned as under:

i) To write off the debit balance of Profit and loss account Rs.2,10,000.

ii) To reduce the value of plant and machinery by Rs.90,000 and goodwill Rs.40,000.

iii) To reduce the value of investments by Rs.80,000

The reduction was made by converting 50,000 preference shares of Rs.20 each fully paid in the same number of preference shares of Rs.15 each fully paid and by converting 50,000 equity shares of Rs.20 each, Rs.15 paid up into 50,000 equity shares of Rs.10 each fully paid. Pass journal entries.

5. On January 31,2010, a compulsory order for winding up was made against Kumar company limited, the following particulars being disclose:

Particulars	***Book Value Rs.***	***(Estimated to Produce) Rs.***
Cash in hand	100	100
Debtors	4,000	3,600
Land and Buildings	60,000	48,000
Furniture and Fixtures	20,000	20,000
Unsecured Creditors	20,000	
Debentures:		
Secured on land and buildings	42,000	
Secured by floating charge	10,000	
Preferential Creditors	6,000	
Share Capital (3,200 shares of Rs.100)	3,20,000	

Estimated liability for bills discounted was Rs.6,000 – estimated to rank at Rs.6,000. Other contingent liabilities were Rs.12,000-estimated to rank at Rs.12,000.

The company was formed on 1st day of January 2010 and had incurred losses of Rs.3,13,900.Prepare a statement of affairs and deficiency account.

009E3530 - PART III – COST ACCOUNTING

1. **(a)** Elucidate the relationship between cost accounting and financial accounting.

(b) Explain the various methods of costing.

2. From the following information prepare a cost sheet for the month of December 2022:

	Rs.
Stock on hand - 1st Dec 2022: Raw Materials	25,000
Finished goods	17,300
Stock on hand - 31st Dec 2022: Raw Materials	26,200
Finished goods	15,700
Purchase of raw materials	21,900
Carriage on purchase	1,100
Work - in - progress 1.12.22 at works cost	8,200
Work - in - progress 31.12.22 at works cost	9,100
Sale of finished goods	72,300
Direct wages	17,200
Non - Productive wages	800
Direct expenses	1,200
Factory overhead	8,300
Administrative overhead	3,200
Selling and distribution overhead	4,200

3. **(a)** From the following information calculate

1) Economic order quantity
2) Reorder level
3) Maximum level
4) Minimum level

Normal usage 150 units per day. Minimum usage 100 units per day. Maximum usage 200 units per day. Reorder period 50 to 60 days. The annual usage is 50,000 units. The cost of purchase is Rs. 100 per order. Cost per unit is Re. 1.00. Carrying cost is 10% per annum.

(b) From the following transactions, prepare separately stores ledger accounts, using the following pricing; (i) FIFO and (ii) LIFO.

January 1. Opening balance 100 units @ Rs 5. each.

January 5. Received 500 units @ Rs . 6 each.

January 20 Issued 300 units.

February 5. Issued 200 units.

February 6. Received 500 units @ Rs. 7. each.

March 10. Issued 300 units.

March 12. Issued 250 units.

4. **(a)** Calculate the earnings of workers A and B under Straight Piece- rate System and Taylor's Differential Piece -rate System from the Following particulars;

Normal rate per hour = Rs. 1.80

Standard time per unit = 20 seconds

Differentials to be applied;

80% of Piece rate below standard

120% of Piece rate at or above standard.

Worker A produces 1,300 units per day and worker B produces 1,500 units per day.

(b) Calculate the earnings of a worker under (a) Halsey Premium plan and (b) Rowan Scheme.

Time Allowed = 48 hours

Time Taken = 40 hours

Rate per hour = Re.1.

5. The following data were obtained from the books of light Engineering Company for the half-year ended 30th September, 2008 Calculate the departmental overhead rates for each of the production department assuming that overheads are recovered as a percentage of direct wages:

Particulars		***Production Departments***		***Service Departments***		
		A	***B***	***C***	***D***	***E***
Direct Wages	Rs.	7,000	6,000	5,000	1,000	1,000
Direct Materials	Rs.	3,000	2,500	2,000	1,500	1,500
Employees	Nos.	200	150	150	50	50
Electricity	Kwh	8,000	6,000	6,000	2,000	2,000
Light points	Nos.	10	15	15	5	5
Assets values	Rs.	50,000	30,000	20,000	10,000	10,000
Area occupied	Sq.mts.	800	600	600	200	200

The expenses for 6 months were:					
Stores overhead	400	Depreciation			6,000
Motive power	1,500	Repairs and Maintenance			1,200
Electric Lighting	200	General overhead			10,000
Labour welfare	3,000	Rent and Taxes			600

Apportion the expenses of Department D in the ratio of 4:3:3 and that of department E in proportion to direct wages, to Departments A, Band C, respectively.

009E3540 - PART III – ENTREPRENEURIAL DEVELOPMENT

1. Explain the factors affecting entrepreneurial growth in India.

2. **(a)** Briefly describe the techniques used to measure Entrepreneurship.

(b) State various types of Business Models plans.

3. Write Short Notes On:

A) Project Identification

B) Project Appraisal

C) Project Formulation

4. Explain Financial Technical analysis.

5. Explain the Functions of DIC and SIDCO.

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