

Roll No. ....

Total Pages : 11

**BCM/A-20****21008**

CORPORATE ACCOUNTING

Paper–BC-202

Time : Three Hours]

[Maximum Marks : 80

**Note :** Attempt *five* questions in all, selecting atleast *one* question from each unit but not more than *two* questions from each unit. All questions carry equal marks.

Z

**UNIT-I**

1. Define Final Accounts of Companies and the objectives of preparing these Accounts? Also define the form and contents of 'Statement of Profit and Loss'. 16

2. Shakti Ltd. invited application for issuing 1,00,000 Equity shares of ` 10 each. The amount was payable as follows :

On Application ` 3 per share. On allotment ` 2 per share,  
On first and final Call Balance.

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[P.T.O.]

Applications were received for 2,20,000 shares. Applications for 20,000 shares were rejected and their application money was refunded. Shares were allotted to the remaining applicants as follows :

- I Allotted 50% shares to Raman who had applied for 40,000 shares.
- II Allotted in full to Akbar who had applied for 20,000 shares.
- III Allotted balance of the shares on prorata basis to the other applicants.

Excess application money was utilised in payment of allotment and final call. All calls were made and were duly received except the first and final call on 600 shares allotted to an applicant in III category. His shares were forfeited. The forfeited shares were reissued for ` 9 per share fully paid up. Pass the necessary Journal entries in the books of Shakti Ltd. 16

、 10

I

%

II

III

III

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3. Write Notes on :

(a) 'Super Profit Method' of Valuation of Goodwill.

(b) Methods of Redemption of Preference Shares.

(8+8=16)

4. The following is the Balance Sheet of X Co. Ltd. as on 31.12.2009 :

Liabilities		Assets	
Share Capital:		Goodwill	50,000
Equity Shares of ` 10 each	1,00,000	Building	1,50,000
		Plant	1,00,000
12% Pref. Share of ` 100 each	1,00,000	Investment in 10% stock	
		Market value of Rs. 52,000,	48,000
General Reserve	60,000	Nominal value Rs. 50,000)	
Profit and Loss A/c	40,000	Stock	60,000
15% Debentures	1,00,000	Debtors	40,000
Creditors	80,000	Cash	10,000
		Preliminary Expenses	22,000
	4,80,000		4,80,000

Ascertain the value of each equity share under Fair Value Method on the basis of the information given :

Assets are revalued as:

Building ` 3,20,000, Plant ` 1,80,000. Stock ` 45,000 and Debtors ` 36,000. Average Profit of the company is ` 1,20,000 and 12½% of profit is transferred to General Reserve, Rate of taxation being 50%. Normal dividend expected on equity shares is 8% whereas fair return on capital employed is 10%. Goodwill may be valued at 3 years' purchase of super-profit.

16

X

			50,000
			1,50,000
	1,00,000		1,00,000
12%		10%	
	1,00,000	(	48,000
	60,000		
	40,000		60,000
15%	1,00,000		40,000
	80,000		10,000
			22,000
	4,80,000		4,80,000

%

### UNIT-II (bdkb7)

5. Differentiate between 'Amalgamation and Absorption'.

Whether Accounting treatment remains same in these cases or not, explain? 16

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ys[kkadu fof/;ki lekuajgkhu] O;k[;k dhft,A

6. Balance Sheet as on 31st March, 2010:

Liabilities	H. Ltd.	S. Ltd.	Assets	H. Ltd.	S. Ltd.
<i>Share capital</i>			Fixed Assets	3,00,000	1,00,000
Equity Shares of ` 10 each fully paid	5,00,000	2,00,000	60% shares in S Ltd. at cost	1,62,400	
General Reserve	1,00,000	50,000	Current Assets	2,77,600	2,39,000
Profit and Loss Account	60,000	35,000	Preliminary Expenses	–	6,000
Creditors	80,000	60,000			
	7,40,000	3,45,000		7,40,000	3,45,000

H. Ltd. acquired the share on 1st April, 2009 on which date General Reserve and Profit and Loss Account of S. Ltd. showed balances of ` 40,000 and ` 8,000 respectively. No part of preliminary expenses was written off during the year ending 31st March, 2010. Prepare the consolidated balance sheet of H. Ltd. and its subsidiary S. Ltd. as on 31st March, 2010. 16

			1,00,000
		60%	
		162,400	-
5,00,000	2,00,000		
1,00,000	50,000	2,77,600	2,39,000
60,000	35,000	-	6,000
80,000	60,000		
7,40,000	3,45,000	7,40,000	3,45,000

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7. Explain :

(a) Minority Interest.

(b) Internal and External Reconstruction. (8+8=16)

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