2023

(4th Semester)

commerce Commerce

Paper: BC-404

(Corporate Accounting)

Full Marks: 70 Pass Marks: 45%

Time: 3 hours

(PART: B—DESCRIPTIVE)

(Marks: 45)

The figures in the margin indicate full marks for the questions

1. (a) Distinguish between Share and Debenture.

Or

(b) ABC Ltd. invited applications for 20000 shares of ₹100 each at a discount of 6% payable:

On application—725

On allotment—734

On first and final calls—735

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(Turn Over)

The applications were received for 18000 shares and all of these were accepted. All moneys due were received in full except on the first and final calls on 200 shares which were forfeited. 100 shares were reissued @ ₹ 90 as fully paid.

Pass entries in the Cashbook and Journal of the company. 3+6=9

2. (a) What is meant by the term 'divisible profit'? Explain the principles of determination of the divisible profits.

3+6=9

Or

(b) Following balances are extracted on 31st March, 2020 from the book of CB Ltd.:

Debit	7	Credit	7
Premises at cost	4,50,000	Share Capital:	
Plant & Machinery		30000, 7% Prefer-	
at cost	3,49,160	ence Shares of	
Motor Lorries		₹ 10 each	3,00,000
at cost	73,000	60000 Equity	
Sundry Debtors	1,21,780	Shares of	
Bad Debts		₹10 each	6,00,000
written off	2,850	Surplus A/c	16,240
Rent, Rates &		Gross Profit	
Taxes	28,400	for the year	2,46,640
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(Continued)

Debit	and atoms	Credit	
Advertisement	19,500	Provision for	
Cash at Bank	68,500	Doubtful Debts	9,000
Directors' Fees	3,600	Sundry Creditors	1,29,640
Audit Fees	10,000	Transfer Fees	110
Stock (31.03.2020)	1,14,600	Accrued Wages	12,840
Rent & Taxes	LS LIGHT V	Staff Welfare Fund	17,900
paid in advance	7,980		A Service And Advanced To
Salaries & Wages	32,000		ed to
Dividends paid on : Preference Shares	21,000	anne star fe aliga d'ul	2008 St.
Equity Shares	21,000	an mile science	OUT TO
(interim)	15,000		THE PARTY OF THE P
Patents	15,000		A 445 1 0 0 0 1
GOOLOG STORY CONSTRUCTION	13,32,370		13,32,370

The provision for doubtful debts is to be created up to ₹ 10,200. Fixed assets are depreciated by to be 10%. The authorized capital of the company is ₹10,00,000 divided into shares of ₹10 each.

You are required to prepare Statement of Profit & Loss for the year ended 31st March, 2020.

What do you mean by Statement of Affairs of the company? Discuss the procedure of preparation of Statement of Affairs. 2+7=9

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(Turn Over)

Or

(b) Following were the liabilities and assets of X Ltd. as on 31st March, 2021:

Liabilities	attricti ()	Assets	A Property of the contract of
Share Capital:	ing sacra Sy Bankara	Fixed Assets:	0.114 457.78
14%, 4000 Preference	e	Land	40,000
Shares of ₹100 eac	h	Buildings	1,60,000
fully paid up	4,00,000	Plant &	
8000 Equity Shares		Machinery	5,40,000
of ₹ 100 each, ₹ 60		Patents	40,000
per share paid up	4,80,000	Current Assets:	
14% Debentures		Stock at cost	1,00,000
(having floating		Sundry Debtors	2,30,000
charge on		Cash at Bank	60,000
all assets)	2,30,000	Profit &	
Interest accrued on		Loss A/c	2,40,000
above debentures	32,200		
Loan on mortgage of		ardop od ar	
Land & Building	1,50,000	is their drives	
Sundry Creditors	1,17,800	is control to	
	14,10,000	n as	14,10,000

On 31.03.2021, the company went into voluntary liquidation. The dividend on 14% Preference Shares was in arrears for one year. Sundry Creditors include Preferential Creditors amounting ₹30,000.

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(Continued)

The assets realized as under:

- 현기되고 하는 요리바이라게 모드 (be)	
Land	80,000
Buildings	2,00,000
Plant & Machinery	5,00,000
Patents	50,000
Stock	1,60,000
Sundry Debtors	2,00,000

The liquidation expenses amounted to 729,434. The liquidator is entitled to a commission of 2% on all assets realized (except cash at bank) and 2% on amounts distributed among unsecured creditors other than preferential creditors. All payments were made on 30th July, 2021. Ignore interest on mortgage loan.

Prepare the Liquidator's Final Statement of A/c.

4. (a) Explain the different methods of valuation of shares in brief.

Or .

- (b) Following are the particulars of a trader:
- (i) Profits earned for three years:

2018-19 2,00,000 2019-20 2,40,000 2020-21 2,20,000

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(Turn Over)

- (ii) Normal rate of return 10%
- (iii) Capital employed—₹ 12,00,000
- (iv) The profits included non-recurring profit on an average basis of ₹3,000

Calculate the value of Goodwill as per capitalization method by using average capital employed.

What meant reconstruction? Discuss the procedure for reducing share capital. 3+6=9

Or.

Following is the Statement of assets and liabilities of X Co. Ltd. 31st March, 2021:

countries to the same	Capital Control	v insangoli	
Liabilities		Assets	7
12000 Shares of ₹ 10		Land & Buildings	90,000
each fully paid up	1,20,000	Machinery	50,000
Sundry Creditors	30,000	Stock	17,000
Bank Overdraft	28,000	Sundry Debtors	20,000
a lo yetalanina		Discount on Shares	1,000
	1,78,000		1,78,000

The company went into voluntary liquidation and the assets were sold to Y Co. Ltd. for 71,50,000 payable 7 60,000 in cash (which is sufficient to

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(Continued)



pay Creditors, Bank Overdraft and the winding expenses of ₹2,000) and ₹90,000 by the allotment of 12000 shares of ₹10 each of Y Co. Ltd. @ ₹7.50 per share paid up to the shareholders of X Co. Ltd.

Pass necessary Journal Entries in the books of X Co. Ltd.

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Stock of the state and the state of the state of the state of

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(c) No dividend is payable on cultain advance. (c)

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(4th Semester)

COMMERCE

Paper: BC-404 bosedonug

(Corporate Accounting)

(PART : A—OBJECTIVE)

(e) luternal reconstruction preans reduction of Share Capital (f a concern)

The figures in the margin indicate full marks for the questions

1. Indicate whether the following statements are True (T) or False (F) by putting a Tick () mark:

[=0]x[] beh vord sinds of all ni abos all some and

(a) A company can redeem its preference shares.

(T/F)

(b) Debentureholders get their money back only on the liquidation of the company.

and owners of the company

F)

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(c)	No	dividend	is	payable	on	calls-in-advance
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(T / F)

(d) Goodwill should not be recorded unless it is purchased.

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' 4th Semester)

(T / F)

(e) Internal reconstruction means reduction of Share Capital of a company.

The (Arc) The margin incode full marks for the questions

2. Choose the correct answer from the given options and place its code in the brackets provided: 1×10=10

by Liberandeholders ger their noner back only be

Indicate whether the following sintements are

- (a) Preference Shareholders are the
 - (i) creditors of the company
 - (ii) owners of the company
 - (iii) customers of the company
- (iv) None of the above

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<i>(b)</i> P	ublic Limited Companies cannot issue
,	(i) Equity Shares A boxed oldiguettal (i)
•	ii) Preference Shares bexil aldiga T
<i>(</i> i:	ii) Deffered Shares in a multiple of the control of
	Sweat Equity Shares O eldigate at [(u)]
(c) Si	hare Forfeited Account is shown on the abilities side of the Balance Sheet under the ead
	i) Share Capital
□ (1	i) Reserves and Surplus 30 at vino (m
(ii	i) Current Liabilities and Provisions
(ii	None of the above rade and be small [(4)]
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(d)	Goodwill is a/an and form form (a)
	(i) Intangible Fixed Asset and vitupal (i)
1.27	(ii) Tangible Fixed Asset
	(iii) Tangible Current Asset? becalled (iii)
	(iv) Intangible Current Asset of the []
(e)	Liquidator's Final Statement of Account is prepared
	(i) only in case of members voluntary winding-up
	(ii) only in case of compulsory winding-up
	(iii) in all modes of winding-up
f	(iv) None of the above declaration []
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•	mation in the nature of	eglame
. 40		
(1)		om (i)
· ///	rict worth anched of purchase	
(ii)	unsecured creditors	ug (ii) pu
	suc payment consthud of	
· (iii)	preferential creditors	od (iii)
	invaries and all archedical	113
(iv)	None of the above vode orly to one	[(iv)] No
) List		
	menters of Attentions	SIMALIB
(i)	debentureholders	
	doing company	ou (i)
(ii)	shareholders	
(100)	rent company	ed (n)
(iii)	preferential creditors	art field tre
(300)	F (a.95.2)	2.5.
(in)	assets viredings rotalari	[/iv]] tre
(30)		
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	(ii) (iii) (iv) (iii) (iii) (iv)	(ii) unsecured creditors (iii) preferential creditors (iv) None of the above and an arrangement of the production of the above and arrangement of the contains the list of the production of the above and arrangement of the contains the list of the contains

(h)	When an existing company takes over the
· ·	business of another existing company, it is
	amalgamation in the nature of
	Av Insingible Fixed Amet
	(i) secured creditors
	(i) merger
	The Carrier of PARCE AMERICA
	fill unsecured creditors
	(ii) purchase
	The Real Control of the Matter and Control of the State o
	(iii) preferential creditors
	(iii) both merger and purchase
	Takker Migratin i regiskritere e state op regiskrite regiskrite i de e i de e filosof e e e e filosof
	and the second of the second o
	(iv) None of the above to be a first to sero! [(ui)]
	얼마나 깨끗하는 이 이는 항문이 살아가 하는 것이 없는 것 같아.
	보이 깨뜨리다 보이면 그 때문에 되면 됐다는 모든 모든 하다면 모든 모든
(i)	The company that takes over the business of
	another company is called
	병에 맞아 이 사고 있는데 하는데 그리지 않는데 그리고 있는데 되는데 했다.
	the first of the control of the state of the
	(i) holding company
	(ii) parent company
	바람, 살아가 하나는 이번 사람들이 되었는데 하는데 하는데 되었다. 그리고 말하는데
	(iii) transferee company
	이 사람은 그렇게 그리면 생각이 하는데 하는데 보다면 하셨다.
	(iv) transferor company
D (6	
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- (j) When the transferee company agrees to pay a fixed sum to the transferor company, it is called
 - (i) lump sum method of purchase consideration
 - (ii) net worth method of purchase considera-
 - (iii) net payment method of purchase consideration
 - (iv) intrinsic value method of purchase consideration

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2×5=10

Write short notes on the following: add and 2×5=10

believed sum to the transferor company, it is called

(a) Guarantee Companies

- (i) lump sum method of purchase considera-
- (ii) net worth method of purchase considera-
- (iii) net payment method of purchase consideration
- (iv) intrinsic value method of purchase consideration

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(b) Surrender of Shares

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(c) Dividends

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(d) Preferential Creditorsomerobiano azadonia (s)

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Purchase Consideration of the (e)

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