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Roll. No. \_\_\_\_\_

**CH-4/2827**

**B.Com. (Hons.) (Fourth Semester)**

**Examination, 2015**

**COMMERCE**

**(Corporate Accounting)**

**(BCH-401)**

*Time Allowed : Three Hours ] [ Maximum Marks : 70*

**Note :** Answer **five** questions in all. Question **No.1** is **compulsory** and carrying 30 marks. Answer **one** question from each unit carrying 10 marks each.

1. Write short notes on the following:  $3 \times 10 = 30$ 
  - (a) Forfeiture of shares
  - (b) Buy-back of shares
  - (c) Issue of Debentures at Discount
  - (d) Statutory Report
  - (e) Interim Dividend

**P.T.O.**

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- (f) Valuation of goodwill
- (g) Amalgamation of companies
- (h) Investing Activities
- (i) Allotment of shares
- (j) Super Profit Method.

**Unit-I**

2. Explain the following: 2×5
- (a) Issue of shares on Premium
  - (b) Issue of shares on Discount
3. A LTD issued 50000 Equity shares of Rs.10 each at a premium of 10% Payable as under:
- 10
- |                |                     |
|----------------|---------------------|
| On Application | Rs.3                |
| On Allotment   | Rs.4 (Premium Rs.1) |
| On First call  | Rs.2                |
| On Final call  | Rs.2                |
- The Whole issues was called for by the company and all money was duly received except the Allotment & Calls money on 500 shares. These shares were therefore forfeited and on

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- (ii) Debenture were rapaid to the Extent of Rs.3000/-
- (iii) Land was purchased for Rs.5000 and amount provided for the written of goodwill amounted Rs.2500/-

You are required to prepare Cash flow statement as per AS-3 (Indirect Method).

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was charged to Revenue. This was agree to be capitalised for goodwill.

- (ii) The Closing stock for the year ended 31-12-2006 was over valued by Rs. 2400=00
- (iii) In order to cover Cost of management an annual charge of Rs.4800 should be made for valuation of Goddwill. Compute the value of Goodwill.

**Unit-III**

6. What is transferor and transferee company? What accounting entries are made in the books of transferror company? 10
7. A LTD acquired B LTD for a consideration of Rs.38,00,000 to be satisfied in the form of fully paid equity shares of Rs.10 each. The balance sheet of two companies on 31 Dec. 2005 were as under: 10

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**B/S**

**(As on 31 Dec. 2005)**

Liabilities	A Ltd.	B Ltd.	Assets	A Ltd.	B Ltd.
Share			Sundry	96,00,000	58,00,000
Capital of			Assets		
Rs. 10					
each	40,00,000	25,00,000			
General	15,00,000	30,00,000			
Reserve					
Development	3,00,000	1,00,000			
reserve					
Export	6,00,000	4,00,000			
Profit Reserve					
Profit &	12,00,000	90,000			
Loss A/c					
Sundry	20,00,000	16,00,000			
liabilities					
	96,00,000	58,00,000		96,00,000	58,00,000

You are required to pass Journal entries in the books of A LTD when amalgamation is by way

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P.T.O.

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of purchase and prepare Balance sheet.

**Unit-IV**

- 8. What are the various methods of presenting cash flow statement AS per AS-3? Discuss Indirect method of cash flow statement. 10
- 9. The Comparative Balance Sheets of a company are given below: 10

**B/S**

Liabilities	2006	2007	Assets	2006	2007
Share Capital	35000	37000	Cash	4500	3900
Debenture	6000	3000	Debtor	7450	8850
Creditor	5180	5920	Stock	24600	21350
Provision D/D	350	400	Land	10000	15000
Profit & Loss A/C	5020	5280	Goodwill	5000	2500
	51,550	51,600		51,550	51,600

Additional information available are:-

- (i) Dividends paid amounted to Rs.1750/-

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later on reissued at Rs.9 per share and fully paid. Pass necessary Journal Entries.

**Unit-II**

- 4. Why does the need of Valuation of shares arise? Explain the Various methods of Valuation of shares. 10
- 5. A LTD agreed to purchase the business of a sole. Trade and for that purpose Goodwill is to be valued at three years purchase of the average of previous 4 years adjusted projects:

10

Year	Projects
2005	20,200=00
2006	24,800=00
2007	25,000=00
2008	30,000=00

Additional Information:

- (i) On 31-12-2007 a major repair Expenditure to plant & Machinery for Rs.6000