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Total No. of Questions: 10

Total No. of Pages: 02

**KMS COLLEGE OF IT & MGMT, DASUYA**

**BCOM (Sem. 4)**

**Corporate Accounting**

**Subject Code: 401-18**

**Time: 1 hour**

**Max Marks: 25**

**Instructions to Candidates:**

Section – A is COMPULSORY consisting FIVE questions carrying **ONE** mark each.

Section – B contain THREE Questions carrying **5 marks** each and student have to **attempt any TWO question.**

Section – C contain TWO questions carrying **10 marks** each and students have to attempt any ONE question.

**SECTION – A**

**Define the following terms:-**

- i. Equity shares?
- ii. Goodwill?
- iii. Issues shares at premium accounting entry?
- iv. Shareholders?
- v. Average profit method?

**SECTION – B**

vi. The following is the Balance Sheet of ABC Ltd. As on 31<sup>st</sup> March,2016:

Liabilities	₹	Assets	₹
4000 10% Preference Shares of ₹ 100 each	4,00,000	Sundry Assets at Book Value	12,00,000
60000 Equity Shares of ₹10 each	6,00,000		
Bills Payable	60,000		
Creditors	1,40,000		
	12,00,000		12,00,000

The market value of the assets is estimated to 15% more than the book value and that of the remaining 40% at 10% at less than the book value. There is an unrecorded liability of ₹10,000.

Find the value of each equity share if it is to be assumed that preference shares have no prior claim on to payment of dividend or on repayment of capital.

- vii. What is share capital and its types?
- viii. Explain the various method for valuation of Goodwill?

### **SECTION – C**

**ix.** On April 01, 2015, a limited company was incorporated with an authorized capital of Rs. 40,000 divided into shares of Rs. 10 each. It offered to the public for subscription of 3,000 shares payable as follows: On Application Rs. 3 per share On Allotment Rs. 2 per share On First Call (One month after allotment) Rs. 2.50 per share On Second and Final Call Rs. 2.50 per share The shares were fully subscribed for by the public and application money duly received on April 15, 2015. The directors made the allotment on May 1, 2015.

How will you record the share capital transactions in the books of a company if the amounts due has been duly received and the company maintains the combined account for application and allotment?

**Or**

- x. Difference between balance sheet of banking and non banking companies in detail?