

# B.Com 4<sup>th</sup> Semester (Honours) Examination 2022

## COMMERCE

Course Id: 41213

Course Code: BCOMH 403C-10

### Course Title: Corporate Accounting II

Full Marks: 40

Time: 2 Hours

The figures in the margin indicate full marks

Candidate are required to give their answer in their own words a far as practicable

1) Answer *any five* of the following questions: (2X5=10)

নীচের যে কোন পাঁচটি প্রশ্নের উত্তর দাও

- What is Average Clause?
- What do you mean by Short Sales?
- What is Goodwill?
- What is the need for valuation of shares?
- What do you mean by Subsidiary Company?
- What do you mean by fair value of share?
- What is meant by 'Indemnity Period'?
- What is Fictitious Assets?

2) Answer *an four* of the following questions: (5X4=20)

নীচের যে কোন চারটি প্রশ্নের উত্তর দাও

- The average net profit (before making any adjustment for valuation of goodwill) of a firm is Rs.302000 (including Rs.2000 as income from investment). The cost of investment is Rs.40,000. Probable future reduction in expenditure is Rs.5000 p.a. Rate of income tax is fifty paise in a rupee. 10% represents the fair return on investment. The average tangible capital employed in the business is Rs.12,50,000 but upon valuation made, the amount of capital employed is found to be Rs.14,40,000.

Calculate the value of Goodwill of the business by adopting the capitalization of super profit method.

- Lucky Limited went into liquidation. Its assets realized by Rs 2,10,000 excluding the amount realized by the sale of securities held by secured creditors. From the following prepare Liquidator's Final Statement of Account.

Secured Creditors `Rs17,500 (security realized Rs.20,000)

Preferential creditors Rs 3,000  
Unsecured Creditors Rs 1,00,000,  
Debentures (having floating charges on assets) Rs 1,25,000  
Liquidator's expenses Rs2,500

Liquidator's remuneration is 3% on amount paid to unsecured creditors.

- c) What are the salient features of Double Account System?  
d) How do you evaluate Minority Interest?  
e) Distinguish between Reserve Capital and Capital Reserve.  
f) What are the different modes in which a company may be wound up?

**3. Answer any one of the following questions: (10X1=10)**

নীচের যে কোন একটি প্রশ্নের উত্তর দাও

- a) The premises of P Ltd. were partly destroyed by fire which took place on 01/09/2020 as a result of which the business was disorganized till.30/11/2020. The accounts of P Ltd. are closed on Dec.31 every year. The company holds a "Loss of Profit" policy worth `Rs 1,50,000. The period of indemnity specified in the policy is six months. From the following information, you are required to compute the amount of claim under the loss of profit policy.

Turnover from 1.9.20 to 30.11.20 `Rs 45,500	Turnover of the last accounting year Rs 6,00,000
Turnover from 1.9.2019 to 30.11.2019 `Rs 3,00,000	Turnover of the year ending 31.08.2020 `7,50,000
Net Profit of the last accounting year Rs`85,000	Total standing charges for the year Rs1,15,000
Insured standing charges of the last accounting year `Rs 65,000	

The company incurred additional expenses amounting to Rs 9,000, which reduced the loss in turnover. There was also a saving during the indemnity period of Rs7,375. There has been a considerable increase in trend and it has been agreed that an adjustment of 10% to be made in respect of upward trend in turnover.

- b) Write Short Notes on: 10  
i) Asset Backing Method for valuation of Share.  
ii) Consolidated Balance Sheet. 5+5

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