


Name:			
Enrolment No:			
<b>UNIVERSITY OF PETROLEUM AND ENERGY STUDIES</b> <b>End Semester Examination, December 2022</b>			
<b>Course: Corporate Accounting</b> <b>Program: BCOM-LLB (Hons.)</b> <b>Course Code: FINC2067</b>		<b>Semester: III</b> <b>Time: 03 hrs.</b> <b>Max. Marks: 100</b>	
<b>Instructions:</b>			
<b>SECTION A</b> <b>(5Qx2M=10Marks)</b>			
S. No.		Marks	CO
Q 1	When shares are forfeited, called up amount as shares is debited to: -  (a) Forfeiture A/c (b) Capital Reserve A/c (c) General Reserve A/c (d) Share Capital A/c.	2	CO1
Q 2	The present value of annuity of Rs. 1 for 3 years at 10% is 2.487. Super profit is Rs. 22,000. The amount of Goodwill will be –  (a) Rs. 5471 (b) Rs. 2200 (c) Rs. 7174 (d) Rs. 54714	2	CO1
Q 3	Which method is legally allowed for redemption of preference shares?  (a) Sale of assets of company (b) Loan from Bank (c) Issue of fresh Equity shares (d) None of these	2	CO1
Q 4	Shareholders are: -  (a) Customers of the company (b) Owners (c) Creditors (d) None of these	2	CO1

Q 5	A Ltd. forfeited 100 shares whose face value Rs.10 each is Rs.3.50 per share paid up. It can be re-issued maximum up to: -  (a) Rs.3.50 (b) Rs.6.50 (c) Rs.10 (d) None of these	2	CO1
<b>SECTION B</b> <b>(4Qx5M= 20 Marks)</b>			
Q 6	Explain the difference between an Equity Shares & Preference Share.	5	CO1
Q 7	What to you understand by Redeemable Preference Shares?	5	CO1
Q 8	Explain the differences between shares and stock.	5	CO1
Q 9	Write a short note on "Minimum Subscription".	5	CO1
<b>SECTION-C</b> <b>(2Qx10M=20 Marks)</b>			
Q 10	What you understand by Super Profit Method of valuing of Goodwill? What are the different methods of calculating goodwill based on Super Profit?	10	CO1
Q 11	Union Telecom Co. Ltd. issued 20,000, 9% redeemable preference shares of Rs. 100 per share. These are to be redeemed at Rs. 120 per share. The company issued 1,20,000 equity shares of Rs. 10 per share at a premium of 20%. Balance is taken from Profit and Loss Appropriation account which had a balance of Rs. 14,40,000. Preference Shares were redeemed. Pass necessary journal entries in the books of company.	10	CO3
<b>SECTION-D</b> <b>(2Qx25M=50 Marks)</b>			
Q 12	K Limited has been registered with an authorized capital of Rs.20,00,00 divided into 20,000 shares of Rs.10,000 shares were offered for public subscription at a premium of Rs.5 per share, payable as under:  On Application Rs.30 On Allotment Rs.25 (Including premium) On First Call Rs.20 On Second Call Rs.30	25	CO3

	<p>Applications were received for 18,000 shares, of which applications for 3,000 shares were rejected outright; the rest of the applications were allotted 10,000 shares on pro-rata basis. Excess applications money was transferred to allotment.</p> <p>All the moneys were duly received except from Sundar, holder of 200 shares, who failed to pay allotment and first call money. His shares were later forfeited, and re-issued to Shyam at Rs.60 per share, Rs.70 paid up. Final Call has not been made. Pass necessary Journal entries in the books of K Limited</p>																														
Q 13	<p>The Balance Sheet of Mr. Clever as on 31<sup>st</sup> March, 2015 was as under:</p> <table border="1" data-bbox="240 667 1162 936"> <thead> <tr> <th>Liabilities</th> <th>Amount</th> <th>Assets</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Capital</td> <td>1,60,000</td> <td>Plant &amp; Machinery</td> <td>80,000</td> </tr> <tr> <td>Sundry Creditors</td> <td>42,000</td> <td>Furniture</td> <td>10,000</td> </tr> <tr> <td></td> <td></td> <td>Book Debts</td> <td>80,000</td> </tr> <tr> <td></td> <td></td> <td>Stock</td> <td>30,000</td> </tr> <tr> <td></td> <td></td> <td>Cash at Bank</td> <td>2,000</td> </tr> <tr> <td><b>Total</b></td> <td><b>2,02,000</b></td> <td><b>Total</b></td> <td><b>2,02,000</b></td> </tr> </tbody> </table> <p>Goodwill is to be valued at 5 years purchase of the super profits of the business. The normal rate of return is 8%. A provision of 5% on book-debts is to be made. Furniture is to be revalued at Rs. 6,000. Plant at Rs. 1,00,000 and Stock at Rs. 36,000. Outstanding Salaries are Rs. 2000. Fair remuneration of the proprietor is Rs. 1,000 p.m. Calculate the amount of goodwill if the profits for the last four years were as under:</p> <p style="margin-left: 40px;">2011 – 12 = Rs. 32,000  2012 – 13 = Rs. 30,000  2013 – 14 = Rs. 35,000  2014 – 15 = Rs. 40,000</p>	Liabilities	Amount	Assets	Amount	Capital	1,60,000	Plant & Machinery	80,000	Sundry Creditors	42,000	Furniture	10,000			Book Debts	80,000			Stock	30,000			Cash at Bank	2,000	<b>Total</b>	<b>2,02,000</b>	<b>Total</b>	<b>2,02,000</b>	<b>25</b>	<b>CO3</b>
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