

Following Paper ID and Roll No. to be filled in your Answer Book..

PAPER ID : 9310

Roll
No.

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Int. LLB Examination 2015 - 2016

(Second Semester)

CORPORATE AND COST ACCOUNTING

Time : 3 Hours]

[Maximum Marks : 100

Note :- (i) Attempt all sections.

(ii) Section A carries 20 marks, section B carries 30 marks and section C carries 50 marks.

SECTION - A

1. Fill in the blanks. All parts are compulsory :

20×1=20

- (a) The share holder is of the company.
- (b) The debenture holder is of the company.

[P. T. O.

- (c) Minimum number of member in case of private limited company is
- (d) Minimum number of member in case of public limited company is
- (e) is a legal entity quite distinct form its members.
- (f) refers to time for which no work is carried out by any worker.
- (g) Total capital of the company is divided into small denominations, each one is called
- (h) Shares which enjoy preferential rights as to dividend are called
- (i) shares are known as ordinary shares.
- (j) capital is the maximum amount of capital which the company is authorised to raise.
- (k) is a called up capital which is offered and actually paid by members.

- (l) is the amount paid over face value of share.
- (m) is the voluntary association of person.
- (n) Perpetual succession is the characteristic of
- (o) The techniques and process of ascertaining costs is known as
- (p) In case of decreasing prices the valuation of closing stock is more under mentioned of stock valuation.
- (q) Loss on issue of debentures is treated as expenditure.
- (r) Interest on debenture is charged against
- (s) Rights shares are first offered to share holders.
- (t) A company cannot issue redeemable preference shares for a period exceeding years.

[P. T. O.]

SECTION - B

Note :- Answer any three questions out of five. All questions carry equal marks. $10 \times 3 = 30$

2. PQ Ltd. was registered with an authorised capital of Rs. 10,00,000 divided into 1,00,000 equity shares of Rs. 10 each out of which 50,000 equity shares were offered to public for subscription.

These shares were payable as under :

Rs. 3 per share on application.

Rs. 2 per share on allotment.

Rs. 2 per share in on 1st call.

Rs. 3 per share on 2nd and final call.

The shares were fully subscribed for and the money was duly received. Show the journal and cash book entries.

3. The five year profit of XYZ Ltd. are 80,000, 90,000, 70,000, 85,000 and 1,00,00. If goodwill is to be valued at 3 years purchase of average profits for 5 years. Calculate the value of goodwill.

4. The beginning balance of inventory and the purchases made by Delta during the month of July are given below :

Date	Particulars	Units	Unit Cost	Total Cost
July 01	Opening balance	500	Rs. 20	10,000
July 18	Purchased	800	Rs. 24	19,200
July 25	Purchased	700	Rs. 26	18,200
	Total	2,000	Total	47,400

The Delta company sold 1400 units during the month of July. Compute inventory on 31st July and cost of goods sold for the month of July using following inventory costing methods FIFO method.

5. From the following information, calculate the labour turnover rate and labour flux rate :

Number of workers at the beginning of the year 3800

Number of workers at the end of the year 4200

[P. T. O.]

During the year 40 workers leave while 160 workers are discharged 600 workers are required during the year, of these 150 workers are recruited because of leaves and the rest are engaged in accordance with an expansion scheme.

6. In a factory 1000 units of product X were manufactured in the month of April, 2011. From the following figures obtained from the costing record, prepare a cost sheet showing cost per unit :

Raw material consumed	60,000
Direct labour	30,000
Direct expences	10,000
Factory overheads	40,000
Office overheads	10,000
Selling overheads	20,000

SECTION - C

5×10=50

7. Illustrate with examples the various methods of goodwill valuation.

OR

Explain with example Net Asset method of valuation of shares.

8. Alpha Ltd. issued 10,000 shares of Rs. 100 each payable as Rs. 25 on application, Rs. 25 on allotment, Rs. 20 on first call and Rs. 30 on second and final call. 9000 shares were applied for and allotted. All the payments were received with the exception of allotment money, first and final call money on 300 share allotted to Ganesh. The Board of Directors decided to forfeit these shares. Make journal entry to record transaction relating to forfeiture of shares working should be part of your solution.

OR

[P. T. O.]

What do you understand by buy back of shares?

Discuss the necessary conditions for buy back of shares.

9. Explain the difference between time keeping and time booking. Also discuss the process of treatment of Idle time.

OR

What do you understand by apportionment of overheads and how is it different from absorption of over heads? Illustrate with example.

10. The cost of production of 200 units is Rs. 2,800 are material Rs. 1,500, labour Rs. 1,000 and expenses Rs. 300. The normal wastage comprising scrap is 10% and it is sold @ Rs. 5 per unit. Find out the cost of remaining units and show the process account.

OR

The following three jobs were completed in the week ending 7th October, 2010. Compute the total cost by preparing a statement of cost with the information given below :

Particulars	Job No. 1	Job No.2	Job No.3
Direct material	2,000	2,400	6,400
Direct Labour	1,600	1,800	2,400
Direct Expenses	400	600	600

Charge works overheads @ 50% on direct labour and office overheads @10% on works cost. What shall be the job price if 10% profit is desired on the supply price?

