

[6/A12E] Seat No: _____

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SARDAR PATEL UNIVERSITY
B Com (II Semester) Examination
Tuesday, 28th March, 2017
10.00 am - 12.00 pm
UB02CCOM02 - Accountancy - II

Total Marks: 60

- Note:** 1. Figures to the right indicate marks.
 2. Show all necessary workings.

- Q.1 (a) What is a Balance Sheet ? State the objectives of preparing Balance Sheet. (08)
 (b) Explain the Limitations of Balance Sheet. (07)

OR

- Q.1 (a) From the following information ascertain: (10)
 1) Owner's Funds 2) Capital Employed 3) Net Working Capital

Particulars	Rs.	Particulars	Rs.
Capital	40000	National Saving Certificates	2000
Drawings	10000	Prepaid Salary	1000
Loan from Financial Institution	30000	Worker's Profit Sharing Fund	4000
Creditors	25000	Telephone Deposit	1000
Loose Tools	3000	P & L A/c (Dr. balance)	5000
Reserve Fund	6000	Goodwill	5000
Workmen's Accident Compensation Fund	2000	Land and Building	40000
Cash	6000	Bills Payable	5000
Debtors	20000	Stock	11000
Machinery	14000	Loan from a friend (Repayable after 5 years)	10000
Furniture	4000		

- (b) Briefly describe the functions of Balance Sheet. (05)

- Q.2 Asha Ltd. issued 20000 Equity shares of Rs. 10 each at a premium of Re. 1 per share. The amount was payable as under: (15)

On Application	Rs. 2
On Allotment	Rs. 4 (including premium)
On First Call	Rs. 3
On Final Call	Rs. 2

Applications were received for 30000 shares and the allotment was made as under :

- To applicants for 18000 shares - in full.
- To applicants for 8000 shares - 2000 shares
- To applicants for 4000 shares - Nil

Excess application money was utilised towards allotment money and calls-in-advance.

All moneys were received on all the shares except the final call money on 2000 shares held by Smt. Neha.

Pass necessary Journal Entries in the books of Asha Ltd.

OR

- Q.2 Prasad Limited issued 2000 Equity shares of Rs. 10 each at a premium of 20%. The amount was payable as under : (15)

On Application	Rs. 2
On Allotment	Rs. 5 (including premium)
On First Call	Rs. 3
On Final Call	Rs. 2

Applications were received for 3000 shares and pro-rata allotment was made on the applications for 2400 shares. Money overpaid on applications was employed on account of sum due on allotment.

Shri Vasant to whom 40 shares were allotted failed to pay anything after application and Smt. Grishma the holder of 60 shares failed to pay the two calls. Pass necessary Journal Entries.

Q.3

(a) What are Financial Statements ? State the purposes of preparing Financial Statements. (08)

(b) Describe the limitations of Financial Statements. (07)

OR

Q.3 Write short notes on:

1. Common-Size Statements. (08)

2. Characteristics of Financial Statements. (07)

Q.4 The Trial Balance of Ishita Ltd. as on 31st March, 2016 is as follows:

(15)

Debit Balances	Rs.	Credit Balances	Rs.
Calls-in-arrear	5000	Equity share capital	300000
Land and Building	150000	Provision for bad debts	2000
Machinery	100000	Creditors	30000
Carriage	5400	6% Debentures	25000
Salary and Wages	40000	GDR Bonds	20000
Furniture	30000	Securities Premium	3000
Bank Charges	100	Unpaid Wages	1000
Coal, Gas and Water	1000	Discount	2000
Rent	6000	Sundry receipts	500
General Expenses	15000	Sales	393500
Debtors	82000	Public Deposits	20000
Opening Stock	55000	Bills Payable	5000
10% Investment (1-10-2016)	30000	Interest on Investments	500
Cash at Bank	5000		
Cash on Hand	1000		
Preliminary expenses	3000		
Purchases	250000		
Bills Receivable	10000		
Loss on Issue of Debentures	2000		
P & L A/c (1-4-2015)	10000		
Advance to Staff	2000		
	802500		802500

Adjustments :

- 1) Closing Stock was Rs. 90000.
 - 2) Write off 50% Preliminary expenses.
 - 3) Transfer Rs. 10000 to Reserve Fund.
 - 4) Goods worth Rs. 2000 was destroyed by fire on 25th March, 2016, which was insured. The Insurance Company admitted a claim of Rs. 1500.
 - 5) Authorised capital of the company is Rs. 5 lakhs, divided into 50000 Equity Shares of Rs. 10 each.
- Prepare Trading and Profit and Loss Account for the year ending 31st March, 2016 and a Balance Sheet in the form prescribed under Schedule-VI to the Companies Act, 1956.

OR

Q.4 Prepare a format of Horizontal Balance Sheet as per Part-I of Schedule-VI to the Companies Act, 1956. (15)

