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SARDAR PATEL UNIVERSITY
B Com (II - Semester) Examination

Friday, 29th March, 2019

10.00 am - 12.00 pm

UB02DCOM21 - Advanced Accounting - III

Total Marks : 60

Notes: Figures to the right indicate marks.

Q.1 The following are the summarised balance sheet of SHIVAM LTD. (15)

Liabilities	31-12-15	31-12-16	Assets	31-12-15	31-12-16
Equity share capital	200000	250000	Fixed Assets	450000	520000
10% Pref. share cap.	100000	100000	Stock	60000	80000
Reserves	120000	160000	Debtors	70000	65000
10% Debenture	100000	100000	Cash balance	20000	15000
B.O.D.	60000	35000	Preliminary Exps.	20000	10000
Creditors	40000	45000			
	620000	690000		620000	690000

Other Informations:

	2015	2016
Total Sales (Cash sales are 3/5th of Credit sales)	800000	1200000
Gross Profit	200000	360000
Net Profit (Before Interest and tax rate of tax 50%)	120000	240000
Stock on 1-1-15	40000	-

Calculate following ratio:

- (1) Net Profit ratio (2) Return on Capital employed (3) Current ratio
 (4) Owners ratio (5) Debtors ratio (6) Stock ratio

Notes: 300 days to be taken for year

OR

Q.1 Explain the Advantages and Limitations of Accounting ratio. (15)

Q.2 The Balance Sheet of Krishna Ltd. on 31-12-15 is as under. (15)

Liabilities	Rs.	Assets	Rs.
Equity share capital of Rs. 10 each paid up amount Rs. 9 per share	900000	Fixed Assets	1950000
12% Redeemable Pref. share Rs. 10 each paid up amount Rs. 8 per share	400000	Investments	200000
14% Redee. Pref. share Rs. 10 each fully paid	300000	Bank balances	500000
General Reserve	1500000	Current Assets	800000
Profit Loss A/c	50000		
Share Premium	50000		
Creditors	250000		
	3450000		3450000

It was decided to redeem 12% redeemable preference share at a premium of 10% and 14% redeemable preference shares at a premium of 5% on the date of balance sheet after complying with necessary provisions of Companies Act. Investment were sold at Rs. 150000, New bank balance is to be maintained in the business is Rs. 50000. For this purpose 15% New preference share were issues at a premium of 10% in adequate number.