

SEAT No. \_\_\_\_\_

No. of Printed Pages : 2

[12]

Sardar Patel University  
BBA Semester III Examination (NC)

Corporate Accounting-II  
UM03CBBA04

5<sup>th</sup> January, 2021  
Time: 10:00 To 12:00

Total Pages: 03  
Total marks: 60

Note: Attempt any Four (4) Questions out of following Eight (8) Questions

Que. 1 (15 marks)

Prepare Balance Sheet of Joint Stock Company as per revised schedule VI, with imaginary figures and necessary Schedules.

Que. 2 (15 marks)

Prepare Profit & Loss Account of Joint Stock Company as per revised schedule VI, with imaginary figures and necessary Schedules.

Que.3 (15 Marks)

Meaning and Objectives of Amalgamation and Absorption

Que.4 (15 Marks)

Followings are Balance-Sheets of Sagar Ltd. & Samudra Ltd. as on 31<sup>st</sup> March, 2020.

Liabilities	Sagar	Samudra	Assets	Sagar	Samudra
Equity sh. Capital	4,00,000	6,00,000	Building	3,50,000	4,00,000
Profit & Loss A/C	1,00,000	80,000	Machinery	2,50,000	3,00,000
Creditors	2,70,000	3,00,000	Furniture	40,000	80,000
Bills Payable	30,000	40,000	Stock	1,00,000	1,20,000
Bank Overdraft	60,000	60,000	Debtors	50,000	70,000
			Bills Receivable	50,000	60,000
			Cash Balance	20,000	50,000
	<u>8,60,000</u>	<u>10,80,000</u>		<u>8,60,000</u>	<u>10,80,000</u>

On 1st April, 2020 they decided to amalgamate and form a new company Mahasagar Ltd. to take over their business on following conditions:-

- (1) New company will take over all assets and liabilities at their book value.
- (2) New company will issue its own 5 shares each of Rs. 10 to every 4 shares held by shareholders of vendor companies, in addition to Rs.1 in cash per share of Vendor Company.

You are required to prepare Balance Sheet in books of the Purchasing Company after Amalgamation.

**Que.5**

**(15 Marks)**

Explain Meaning, Utility and Limitations of Ratio Analysis.

**Que.6**

**(15 Marks)**

Followings are the summarized Balance Sheets of Ketan Limited.

Liabilities	31/12/19	31/12/20	Assets	31/12/19	31/12/20
Equity sh. Capital	5,00,000	7,00,000	Fixed Assets	7,00,000	8,00,000
10% Pref. Shares	1,00,000	1,20,000	Furniture	40,000	80,000
Profit & Loss A/C	1,00,000	80,000	Stock	1,00,000	1,20,000
20% Debentures	2,00,000	2,00,000	Debtors	1,00,000	1,50,000
Creditors	70,000	1,00,000	Bills Receivable	50,000	60,000
Bills Payable	40,000	60,000	Cash Balance	20,000	50,000
	<b>10,10,000</b>	<b>12,60,000</b>		<b>10,10,000</b>	<b>12,60,000</b>

Additional Information:

	<u>31/12/19</u>	<u>31/12/20</u>
Total Sales (25% Cash)	12,00,000	15,00,000
Gross Profit	3,00,000	5,00,000
Net Profit after Tax	1,50,000	2,55,000
Opening Stock	80,000	---

You are required to calculate following ratios for both the year and make your comments.

- (1) Stock Turn-Over Ratio
- (2) Current Ratio
- (3) Debtors Ratio (350 Days)
- (4) Gearing Ratio
- (5) Gross Profit Ratio

**Que.7**

**(15 Marks)**

Explain meaning and Utility of Cash Flow Statement. How Cash Flow Statement is differ from Fund Flow Statement?

Que.8

(15 Marks)

Followings are the Balance Sheets of Anand Co. Ltd. as on 31/3/2019 & 31/3/2020

Liabilities	31/3/19	31/3/20	Assets	31/3/19	31/3/20
Eq. Share Capital	200000	250000	Goodwill	20000	15000
10%Pref. Sh. Cap.	50000	50000	Land Building	100000	75000
Profit & Loss A/C	50000	75000	Plant	160000	295000
Bank Loan	20000	---	Debtors	45000	50000
12% Debentures	50000	100000	Stock	40000	42000
Creditors	20000	30000	Bills Receivable	25000	30000
Bills Payable	10000	5000	Cash & Bank	10000	2000
			Debenture Discount	---	1000
	400000	510000		400000	510000

**Other Information:**

- 1) During the year company issues Right Shares in ration of 4:1.
- 2) During the year 12% Debentures issued at 5% Discount

You are required to prepare Fund-Flow Statement.

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