

**Saraswat Vidyalaya's**  
**Sridora Caculo College of Commerce and Management Studies**  
**Khorlim, Mapusa – Goa**

**S.Y.B.Com. Fourth Semester End Examination – June 2022 (CBCS)**

**Duration: 2 hours      Accounting for Service Organisations      Maximum Marks: 80**

*Instructions: 1. Question No. 1 is compulsory.*

*2. Answer ANY 3 from questions no. Question No. 2 to 6.*

*3. Figures to the right indicate **maximum marks** allotted to **question/sub-question**.*

*4. Start **each main question** on **fresh page**.*

Q.1) From the following Trial Balance, as on 31<sup>st</sup> March 2022, prepare Profit & Loss Account and Balance Sheet as on that date of Vidya Bank Ltd. (₹ in lakhs). **(20 marks)**

Particulars	Dr.	Particulars	Cr.
Cash balance	50	Interest on advances	60
Balance with other banks	10	Interest from investments	40
Cash with RBI	10	Commission	25
Investments in Govt. Securities	30	Profit on sale of investments	5
Other Approved Securitites	5	Share capital	200
Bills purchased and discounted	30	Statutory reserves	90
Cash credits, Overdrafts and Demand Loans	100	Profit & Loss Account	60
Term Loans	170	Fixed deposits	50
Premises (Net)	140	Savings deposits	10
Interest accrued	7	Current accounts	15
Interest Paid	30	Borrowings from other banks	15
Salary	10	Borrowing from RBI	20
Printing and stationery	5	Bills payable (Net)	10
Repairs	3		
	600		600

**Additional Information:-**

1. Bills for collection Rs. 1,10,000.
2. Claims against the bank not acknowledged as debt Rs. 2,40,000.
3. Transfer 25% of profit to statutory reserve.
4. Transfer 5% of profit to other reserves.

Q.2) Virgo Ltd. issued 1,00,000 equity shares of ₹100 each at par. 20,000 shares were issued to the promoters and the balance offered to the public was underwritten by three underwriters – A, B and C equally with firm underwriting of 4,000 shares each. Subscriptions totaled 75,000 shares including the marked from which were:- A – 20,000 B – 30,000 and C – 10,000.

The underwriters had applied for number of shares covered by firm underwriting. The amount payable on application was ₹50 per share. The agreed commission was 2%.

You are required to do the following:-

- a. Calculate net liability of all underwriters assuming benefit of firm underwriting is not given to underwriters.
- b. Prepare statement showing amount due to/from underwriters.
- c. Pass necessary journal entries in the books of Virgo Ltd.

**(20 marks)**

Q.3) Mr. Shashikant presents the following trial Balance from the books of his restaurant at 31<sup>st</sup> March 2022. You are required to prepare Trading and Profit and Loss account for the year ended 31<sup>st</sup> March 2019 and Balance Sheet as on that date. **(20 marks)**

Particulars	Dr.	Particulars	Cr.
Debtors	10,000	Capital	1,20,000
Furniture	5,000	Interest Received	600
Postage	1,000	Provision for bad debts	400
Purchases	50,000	Creditors	5,000
Wages	25,000	Sales	1,04,000
Drawings	1,000		
Opening Stock	4,000		
Cash at Bank	20,000		
Premises	90,000		
Gas	7,000		
Bad debts	1,000		
Insurance	1,000		
Advertising	5,000		
Repairs and renewals	10,000		
	2,30,000		2,30,000

Additional Information:-

- Closing stock on 31<sup>st</sup> March 2022 was ₹5,000.
- Provide for outstanding wages of ₹1,500.
- Provide for depreciation at 10% on premises.
- Advertising paid in advance is Rs. 1,000.

Q.4A) Explain the various types of General Insurance that exist in India.

**(10 marks)**

Q.4B) Explain the different types of underwriting with suitable examples.

**(10 marks)**

Q.5A) From the following information, prepare Profit & Loss account of Venus Bank for the year ended on 31<sup>st</sup> March 2022. **(10 marks)**

Particulars	Amount	Particulars	Amount
Interest on loans	2,000	Interest on overdrafts	1,600
Interest on fixed deposits	3,700	Director's fees	30
Rebate on bills discounted	500	Auditors fees	20
Commission	100	Interest on savings bank deposits	600
Payment to employees	510	Postage	5
Discount on bills discounted (Gross)	1,500	Printing & Stationery	100
Interest on cash credits	2,280	Other charges	25
Rent	180		

Additional Information:

- Transfer 25% of profit to statutory reserve.

Q.5B) Explain the following:-

**(10 marks)**

- Different types of Deposits.
- Different types of Advances.

Q.6A) Explain the different types of Financial Statements applicable to Banking Companies. **(5 marks)**

Q.6B) 1) Zeta Ltd issued 50,00,000 equity shares of Rs. 10 each at par. 14,00,000 shares were issued to the promoters and the balance offered to the public was underwritten by three underwriters, P, Q and R in the ratio of 2:3:4 with firm underwriting of 1,00,000, 1,20,000 and 1,40,000 shares each respectively. Total subscriptions received 27,76,000 shares including marked application and excluding firm underwriting. Marked application were as follows: P-6,00,000; Q-7,00,000 & R-9,00,000.

Ascertain the liability of underwriters assuming benefit of firm underwriting is given to individual underwriters.