

[2 Hours]

[Total Marks : 60]

N.B.: (1) All questions are compulsory.

(2) Figures to the right indicate full marks.

(3) Working notes should form the part of your answer.

Q.1. From the following particulars, prepare the final accounts of "H" Bank Ltd.(15)

Trial Balance as on 31st March, 2017

Particulars	Dr. ₹	Cr. ₹
Share Capital:		
1,00,000 Shares of (₹ 10 each, ₹ 5 paid up)		5,00,000
Reserve Fund		10,00,000
Fixed Deposits		20,00,000
Savings Bank Deposits		30,00,000
Current Accounts		70,00,000
Borrowed from Bank		2,00,000
Investments	30,00,000	
Premises	12,00,000	
Cash in hand	60,000	
Cash at bank	28,00,000	
Money-at-Call and Short notice	3,00,000	
Interest accrued and paid	2,00,000	
Salaries	80,000	
Rant	30,000	
Profit & Loss Account (1.4.2016)		1,60,000
Net Profit for the year		4,50,000
Bills Discounted	5,00,000	
Bills Payable		8,00,000
Loans, Advances, Overdrafts and Cash Credits	70,00,000	
Unclaimed Dividend		30,000
Sundry Creditors		30,000
Total	1,51,70,000	1,51,70,000

The Bank has the bills for ₹ 14, 00,000 as collection for its constituents and also acceptances and endorsements for them amounting to ₹ 4, 00,000.

OR

Turn Over

Q.1. The following is the Trial Balance from the books of Yash Bank Ltd. As on 31.03.2017.
(15)

Particulars	Dr. ₹	Cr. ₹
Director's Fees	9,900	
Auditor's Fees	2,000	
Furniture (Cost ₹ 1,00,000)	74,500	
Interest accrued on Investment	300	
Land and Building (Cost ₹ 6,00,000)	4,10,000	
Deposit with RBI	8,00,000	
Cash Credit and Overdraft	1,40,00,000	
Postage and Telegram	2,300	
Rent Taxes and Premium	17,000	
Salaries	52,000	
Legal Expenses	3,300	
Cash in hand	8,32,600	
Deposits with Other Bank	24,10,200	
Investment	17,56,200	
Printing and Stationery	6,700	
Bills Discounted	28,01,000	
Interest	52,000	
Paid-up capital		20,00,000
Profit and Loss A/c		80,600
Current Account		68,25,200
Fixed Deposit		77,91,100
Saving Bank Deposit		51,36,000
Contingency Reserve		1,00,000
Investment Reserve		70,000
Branch Adjustment		73,100
Statutory Reserve		1,30,000
Reserve Fund		4,00,000
Interest and discount		6,24,000
Total	2,32,30,000	2,32,30,000

Additional Information:

- The bank has accepted on behalf of customers bill worth ₹ 4, 00,000 for collection.
- Depreciation is to be written off 23,000 from furniture and from Land and Building is 40,000.
- The authorized capital is 40,00,000. All shares have been subscribed but only half of the face value has been called up.

(d) Create Provision for Taxation 2, 20,000.

(e) Transfer 25% of Net Profit to Statutory Reserve.

Prepare Bank Final Account for the year ended 31st March, 2017 in the books of Yash Bank Ltd.

Q.2. From the following information of Raj Insurance Ltd., you are required to prepare Revenue A/c for Fire Department for the year ended 31st March, 2017. (15)

Particulars	Amount ₹
(1) Claims	
Paid	50,00,000
Payable as on:	
1st April, 2016	8,00,000
31st March, 2017	11,00,000
(2) Premium	
Received	1,04,00,000
Paid on Reinsurance	4,00,000
Recovered on Reinsurance	8,00,000
(3) Commission on	
Direct Business	2,00,000
Reinsurance Ceded	20,000
Reinsurance Accepted	10,000
Management Expenses	21,00,000
Interest and Dividend (Gross)	5,00,000
Legal Expenses regarding claims	3,00,000

Reserve for Unexpired Risk was ₹ 36, 00,000 as on 01/04/2016. Provide Reserve 50% of Net Premium as on 31st March, 2017.

OR

.Q. 2. From the following balances as on 31-03-2017, prepare Revenue account for the marine business of Sunita Insurance Company Ltd. (15)

Particulars	Direct Business (₹)	Re- insurance (₹)
(A) Premiums		
Received	4,60,000	72,000
Receivable on 1-4-2016	18,750	25,000
on 31-3-2017	26,000	25,500
Paid	–	46,000
Payable on 1-4-2016	–	28,000
Payable on 31-3-2017	–	36,500
(B) Claims		
Paid	2,35,000	30,000
Payable on 1-4-2016	12,500	2,750
on 31-3-3017	15,500	3,300
Received	–	12,750
Receivable on 1-4-2016	–	2,750
on 31-3-3017	–	1,200
(C) Commission		
On reinsurance accepted	22,000	2,000
On reinsurance ceded	–	2,500
(D) Other Expenses and Income		
Salaries		1,40,000
Rent and Rates	–	40,000
Postage	–	3,000
Stationary	–	30,000
Income tax paid	–	30,000
Dividend & interest received	–	1,40,000
Legal expenses		18,000
(E) Balance of fund on 1-4-2016		3,85,000

Q.3 The firm Rajini & Co. with its H.O. at Vijaywada is a branch in Washington. On 31-12-2016 a Trial Balance is sent by the branch in Dollar currency.

The following Trial Balance Is compiled at branch as on 31-12-2016 (15)

Particulars	Debit(\$)	Credit(\$)
Bills Receivable	5,000	
Sundry Debtors	7,600	-
Sundry Creditors	-	2,200
Purchases	27,000	-
Sales	-	45,600
Furniture and Fixtures	2,680	-
Stock (1-1-2011)	4,000	-
Establishment expenses	4,000	-
Salaries	2,800	-
Rent, rates and taxes	800	-
Sundry expenses	2,900	-
Depreciation on furniture & fixtures	256	-
Remittance to H.O.	3,004	-
Head Office Account	-	13,840
Cash oh hand and at bank	1,600	-
Total	61,640	61,640

The stock in hand on December 31, 2016 was \$ 5,000. The rates of exchange were:

From December 31, 2015 to June 30, 2016 1 \$ = ₹ 44.

From 1st July, 2016 to December 31, 2016 1 \$ = ₹ 46

In Vijayawada books the balance of the Washington Branch Account and of the remittances from Washington Branch Account appear as Rs 3,57,694 and ₹ 74,136 respectively. The original furnitures were bought when the rate of exchange was 1 \$ = ₹ 40.

Convert the above trial balance into rupees currency and prepares final accounts of the branch for the year ended 31st December, 2016.

OR

Q.3.From the following Trial Balance of 'Akshay Co-operative Consumers Society Ltd., Pune as on 31.3.2017, prepare Trading and Profit & Loss Account for the year ended on 31.3.2017 and Balance Sheet as on that date after considering the adjustments given. (15)

Trial Balance

Particulars	Debit(Rs)	Credit(Rs)
Share Capital		1,60,000
Calls in arrears	10,000	-
Reserve Fund	-	15,000
Common Good Fund	-	5,000

Opening Stock of Consumer's Goods	1,10,000	-
Furniture	48,000	-
Education Fund	-	8,000
Sundry Creditors	-	20,000
Sundry Debtors	30,000	-
Commission Payable	-	4,000
Salaries	71,000	-
Commission	17,400	-
Rent, Rate and Taxes	20,000	-
Postage	12,100	-
Land	9,000	-
Interest on Investment	-	10,000
Equipment	20,000	-
Purchases	16,40,000	-
Investment	1,00,000	-
Sales	-	20,60,500
Cash in hand	25,000	-
Cash at Bank	1,70,000	-
	22,82,500	22,82,500

Adjustments:

1. Outstanding rent payable on 31.3.2017 was ₹ 1,000.
2. Charge 5% depreciation on furniture.
3. Closing Stock of consumers' goods is valued at cost ₹ 1,40,000.
4. Interest accrued on Investment ₹ 2,000.
5. Outstanding salary on 31st March, 2017 was ₹ 2,000 & 3,000 paid in advance.
6. Authorized capital 20,000 shares of ₹ 10 each.
7. Contribute to Education Fund ₹ 100.

Q. No. 4A State True or False from the following (8)

- 1) Banking Company in India are governed by Banking Regulation Act 1949
- 2) Treasury Bills are usually for 3months
- 3) Sum insured is the amount for which policy is taken.
- 4) Demand deposits are repayable on demand
- 5) Rebate on bills discounted is unearned discount
- 6) Closing inventory should be translated at closing rate
- 7) Businessmen open Current A/c
- 8) Banks maintain SLR of 25%

B) Match the following

(7)

Group A	Group B
1. AS-11	a) 100% reserve for unexpired risk
2. Marine Insurance	b) Foreign Currency Conversion
3. Fire Insurance	c) Opening Rate
4. Opening Stock	d) 50% reserve for unexpired risk
5. Contingent Liabilities	e) Rate on date of purchase
6. Depreciation	f) Schedule 12
7. Exchange difference	g) General Insurance
	h) Charged to P&L

OR

Q. No. 4 Write short notes (any three)

(15)

- 1) Integral Foreign operations
- 2) Non Performing Assets
- 3) AS-11
- 4) Surrender Value
- 5) Appropriations of profits
