

Please check whether you have got the right question paper.

- N.B: 1. Question.No.1 and 2 is compulsory.
2. Each questions carry 15 marks.

Q.1) Following figures have been obtained from the books of Bandhan Bank Ltd. For the year Ended 31st March, 15 2016.

Particulars	Rs
Issued and Subscribed Capital	5,00,000
Interest and discount earned	19,00,000
Interest paid	10,00,000
Salaries and wages	1,00,000
Directors fees	15,000
Rent and taxes	50,000
Postage on Sale of Investments	1,20,000
Loss on sale of investments	20,000
Rent Received	40,000
Depreciation	10,000
Stationery	30,000
Auditor's Fees	5,000

Additional Information:

- (1) The Profit & Loss Account had a balance of Rs 5,00,000 on 1st April , 20015
 - (2) An advance of Rs 2, 40,000 has become doubtful and it is expected that only Rs 1, 20,000 of the amount can be recovered from security.
 - (3) The Provision for tax to be made of RS 3,40,000
 - (4) A dividend @ 10 % is proposed. Also provide for dividend Tax @ 10 % of the amount proposed to be distributed.
 - (5) Every year bank transfers 20 % of Profit to Statutory Reserve.
- Prepare Profit and Loss Account of the bandhan Bank Ltd. Along with necessary Schedule for the year ended 31st March, 2016.

Q.2) A. Choose correct alternative and rewrite the statement.

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- 1) When income is to be recognized on cash basis by Safe Trust Bank, a distinction should be made ____
 - a) Banking and Non-Banking Assets
 - b) Monetary and non-banking Assets
 - c) Current and noncurrent assets
 - d) Performing and Non-Performing assets.
- 2) _____ Percentage of provision is required on standard assets.
 - a) 10
 - b) 40
 - c) 0.40
 - d) 25

- 3) Deposits held on re-insurance ceded is shown in the balance sheet of insurance co Under _____
- a) Loans
 - b) Advances
 - c) Current Liabilities
 - d) Current assets
- 4) Claims made in respect of general insurance contract shall be recognize on an accrual basis _____
- a) Every year
 - b) Every three years
 - c) Where the claims payment period exceed four years
 - d) Never
- 5) The maximum number of Partners LLP can have is _____
- a) 7
 - b) 50
 - c) 2
 - d) No limit
- 6) LLP is governed by _____
- a) Partnership act , 1932
 - b) Companies Act 1956
 - c) LLP Act ,2008
 - d) None of the above
- 7) AS-6 is applicable to _____ asset.
- a) Forest
 - b) Goodwill
 - c) Live stock
 - d) Tangible Fixed asset
- 8) Equity shareholders are _____
- a) Priority claimant
 - b) Last claimant
 - c) No claimant
 - d) None of the above

Q.2) B. State Whether the Following Statements is True Or False.

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- 1) The figures in the final accounts of a bank are shown to the nearest rupee.
- 2) The auditor's report on the accounts of a banking company must include only the particulars Required under the companies Act, 1956.
- 3) Reserve deposits with ceding companies is shown in the balance sheet of an Insurance Co under Advances.
- 4) Claims Outstanding is shown in the balance sheet of Insurance Company under Current Assets.
- 5) A company is created by law.
- 6) Government taxes are preferential liability.
- 7) Certificate of incorporation of LLP is issued by Registrar of companies.

Q.3 Prepare a Revenue A/c in respect of Fire insurance from the following details for the year 2015-2016 7

Particulars	Rs
Reserve for unexpired Risk as on 1-4-2015@50 %	18,00,000
Additional Reserve	3,60,000
Estimated Liability for claims intimated on 1-4-2015	3,10,000
Estimated liability for claims intimated on 31-3-2016	4,20,000
Claims paid	36,50,000
Legal expenses	60,000
Re-insurance recovered	3,20,000
Misc expenses	4,30,000
Bad debts	4,86,000
Premium Recovered	3,20,000
Premium on Re-insurance accepted	4,30,000
Premium on Re-insurance Ceded	4,86,000
Commission on direct business	16,000
Commission on reinsurance ceded	21,500
Management Expenses	9,00,000
Interest , Dividend and rent	2,40,000
Profit on sale of investment	30,000

Create Reserve on 31st March 2016 to the same extents as on 1st April 2015.

OR

Q.3) The following is the Balance Sheet of Regal Builders Ltd.as on 31st March , 2016 15

Liabilities	Rs	Assets	Rs
Share Capital		Land & Building	1,20,000
Issued 11 % Preference Shares of Rs 10 each	1,00,000	Sundry Current Assets	3,95,000
10,000 Equity Shares of Rs 10 Each fully paid	1,00,000	Profit & Loss A/c	38,500
5,000 Equity shares of Rs 10 each Rs 7.30		Cash and Bank Balance	1,000
Per share paid up	37,500	Debentures issue expenses not	
13 % Debentures	1,50,000	Written off	1,000
Mortgage Loan	80,000		
Bank Overdraft	30,000		
Creditors For Trade	32,000		
Income tax errors(assessment concluded In January 14)			
Assessment year 2012-2013 21,000			
Assessment Year 2013-2014 05,000	26,000		
	5,55,000		5,55,000

Mortgage loan was secured against Land and Building .Debentures was secured by a floating charge on all the other assets. The company was unable to meet the payments and therefore the debenture holders appointed a Receiver and this was followed by a resolution for members voluntary winding up. The receiver for the debenture holder bought the Land and buildings to auction and realized Rs 1, 50,000.He also took charge of Sundry assets of the value of Rs 2, 40,000 and realized Rs 2, and 00,000.The Liquidator realized Rs 1, 00,000 on the sale of balance of sundry current assets. The Bank Overdraft was secured by a personal

guarantee of two of the Directors paid off the dues from their personal resources. Costs incurred by the receiver were Rs 3,000 and by the Liquidator Rs 2,800. The receiver was not entitled to any remuneration but the liquidator was to receive 3 % fee on the value of assets realized him. Preference shareholders had not been paid dividend for period after 31st March, 2014 and interest for the last half year was due to the debenture holders.

Prepare the accounts to be submitted by the Receiver and the Liquidator.

Q.4) Sagar carrying a business. On 31st March 2016 ,Balance sheet was as under: 15

Liabilities	Rs	Assets	Rs
Capital		Building	
Suraj's loan		Machinery	
Creditors		Motor Car	
Bills payable		Stock	
		Debtors	
		Cash	
		Investment	
	1,10,000		1,10,000

On the above date ,a LLP was incorporated to take over the above business on the following terms and Conditions :

- 1) All assets (except cash and investment) and all liabilities (except Suraj's Loan) to be taken over by The company for which all assets are valued at par except building which is considered worth Rs 1,27,000 and stock at worth Rs 1,14,000. Further, goodwill is valued at Rs 30,000.
 - 2) Suraj's loan to be partly liquidated by his taking over the cash and investment at par.
 - 3) Suraj and Sagar will be the partners of LLP sharing profits equally. they contributed Rs 6,00,000 each
 - 4) The purchase consideration is received
- Prepare Balance Sheet as on 31st March 2016.

OR

Q.4) Write Short Note On the Following : (Any Three) 15

- 1) Types of Insurance
- 2) Re-insurance
- 3) Types of Liquidation
- 4) Provision for non-performing assets
- 5) Partnership Agreement
