

Please check whether you have got the right question paper.

N.B: 1. Each questions carry equal marks.

Q.1 prepares the profit and Loss Account of Glory Bank Ltd. for the year ended 31/3/2012 from the following details: (15 Marks)

Particular	Amount. Rs.
Interest on Loan	3,49,000
Interest on Fixed Deposits	3,65,000
Rebate on Bills Discounted as on 31/3/2012	48,000
Commission	9,100
Salaries	1,55,000
Discount on Bills Discounted	1,94,000
Interest on Cash Credit	2,24,000
Locker Rent	12,000
Rent and Rates	18,000
Interest on Overdrafts	1,28,000
Directors Fees	2,000
Auditors Fees	2,200
Interest on Saving Account	69,000
Postage and Telegram	1,500
Printing and Stationery	3,900
Sundry Charges	1,500

Provide Rs.80,000 for taxation.

Q.2 A) Choose correct alternative and rewrite the statement. (08 Marks)

1. Banking Regulation Act _____
 - a) 1947
 - b) 1932
 - c) 1949
 - d) 1956
2. General Insurance include _____
 - a) Fire Insurance
 - b) Marine Insurance
 - c) Miscellaneous Insurance
 - d) All of above
3. How many Schedules are there in General Insurance final account _____
 - a) 12
 - b) 10
 - c) 15
 - d) 09
4. Stock _____
 - a) Current Asset
 - b) Fixed Asset
 - c) Intangible Asset
 - d) None of the above

5. The gross book value of an asset is the _____
 - a) Historical cost
 - b) Original Cost
 - c) Fixed Cost
 - d) Variable Cost
6. In an LLP one partner _____ for another partner's misconduct or negligence.
 - a) Is responsible and liable
 - b) Is not responsible or liable
 - c) Is responsible
 - d) Is liable
7. Liquidation is also sometimes referred to as _____
 - a) Winding –up
 - b) Dissolution
 - c) Winding up or dissolution
 - d) None of the above
8. Accounts of LLP are to be audited by _____
 - a) Chartered Accountant
 - b) Cost Accountant
 - c) Company Secretary
 - d) Master of Commerce

Q.1 2B) State whether the following statements are True or False: (07 Marks)

1. Banking companies have to maintain sufficient liquid assets.
2. Insurance provide financial protection against a loss arising out of happening of an uncertain event.
3. Voluntary liquidation occurs when the members of the company resolve to voluntarily wind-up the affairs of the company.
4. Goodwill is a intangible asset
5. The costs of conversion of inventories include costs directly related to the units of production.
6. Standard cost is the technique of the measurement of the cost of inventories.
7. Depreciation on fixed assets is provided using the Straight line method.

Q.3 From the figures set Out below, Prepare the revenue account of New India Assurance Company Ltd. For the year ended 31st March, 2010 Showing Surplus for the share holders and policy holders. (15 Marks)

Particular	Rs.
Life assurance fund as on 01-04-2009	50,00,000
Premiums received	26,00,000
Interest and dividends received	15,00,000
Bonus in cash	1,12,000
Bonus in reduction of premium	4,000
Claims paid	2,60,000
Surrenders	1,90,000
Annuities paid	1,10,000
Expenses of management	2,20,000
Commission	1,25,000
Income tax	6,20,000
Fines for revival of lapsed policies	15,000

OR

Q.3 Sagar carrying on a business. On 31-3-2010, Balance sheet was as under: (15 Marks)

Liabilities	Rs.	Assets	Rs.
Capital	7,60,000	Building	1,20,000
Suraj's loan (Carrying interest @8% p.a.)	1,20,000	Machinery	1,30,000
Creditors	1,15,000	Motor car	5,05,000
Bills payable	1,05,000	Stock	1,15,000
		Debtors	1,20,000
		Cash	9,000
		Investment	1,01,000
	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.

Q.4) The Balance Sheet of Rinkesh Ltd.as on 31.3.2010 was as follows: (15 Marks)

Particulars	Rs.	Particulars	Rs.
Share Capital		Land and Building	25,000
8,000 Preference shares of Rs 10 each	80,000	Other fixed Assets	2,00,000
12,000 Equity shares of Rs 10 each	1,20,000	Stock	5,25,000
Bank Loan	4,00,000	Debtors	1,00,000
8% Debentures	1,00,000	Profit and Loss A/c	58,000
Interest outstanding on			
Debentures	8,000		
Creditors	2,00,000		
	9,08,000		9,08,000

The company went into liquidation on that date. Prepare Liquidator's statement of account after taking into account the following:

- (1) Liquidation expenses and liquidator's remuneration amounted of Rs 3,000 AND Rs 10,000 respectively.
- (2) Bank Loan was secured by hypothecation of stock.
- (3) Debentures were repaid on 30/06/2010.
- (4) Fixed Assets were realised at book values and current assets at 90% of book value.

OR

Q.4) Write Short note on the following: (15 Marks)

- 1) Intangible Assets.
- 2) Management reporting system.
- 3) Liquidation.
