

(3 Hours)**(Total Marks : 100)**

- N.B. :**
- (1) Questions Nos 1 and 2 are **compulsory**
 - (2) Attempt **any three** questions from the remaining.
 - (3) **Working notes** should form **part of your answer**.
 - (4) Use of **simple calculator** is **allowed**.
 - (5) **Figures to the right** indicate **full marks**.

Q.1 The following are the balance sheets of S Ltd. and T Ltd. as on 31st December, 2018: (20)

Liabilities	S Ltd. (Rs.)	T Ltd. (Rs.)	Assets	S Ltd. (Rs.)	T Ltd.(Rs.)
Share Capitals:			Fixed Assets	8,77,500	3,15,000
shares of 10 each	9,00,000	2,25,000	Investment	2,70,000	----
Reserve and Surplus:			Debtors	1,57,500	1,12,500
General Reserve	2,25,000	90,000	Other Current	2,70,000	56,250
Profit and Loss A/c (01/01/2018)	1,35,000	33,750			
Profit for the year	2,25,000	90,000			
Creditors	90,000	45,000			
Total	15,75,000	4,83,750	Total	15,75,000	4,83,750

The following further information is available:

1. S Ltd. purchased on 1st July 2018, 18,000 shares in T Ltd. @ Rs.15 per shares.
 2. Stock in T Ltd. includes Rs.33,750 worth of goods purchased from S Ltd. The company sells Goods at 25 % above cost.
 3. Creditors of T Ltd. include Rs.25,000 due to S Ltd.
- Prepare consolidated balance sheet as on 31-12-2018.

Q.2 A) State whether the following statements are True or False: (10)

- 1) Annual reports in mandatory for companies.
- 2) Closing rate is the rate of exchange at the balance sheet date.
- 3) Surplus on revaluation should be treated a Revenue Reserve.
- 4) Reporting currency is the currency used in presenting the financial statements.
- 5) Every banking company in India is required to transfer atleast 40% of its Currents year's Profit to the reserve fund.
- 6) Deadstocks is shown in the balance sheets of a co-operative Society under Current Assets.
- 7) IFRS stands for Indian Financial Reporting Standards.
- 8) Every Society deriving profit shall transfer 25% of the profit to the reserve fund.
- 9) Reserve for unexpired Risk is shown in the balance sheet of a General Insurance Company under provisions.
- 10) The Maharashtra Co-Operative Society Act was Passed in 1956.

Q.2 B) Match the column

(10)

Group A	Group B
1. Education Fund	a) Contingent Liability
2. Bank Guarantee	b) Repayable on Demand
3. Insurance Company	c) Reduction In EPS
4. Profit upto the date of Acquisition	d) Co-operative Society
5. Goodwill	e) Sum assured of life insurance Policy
6. Demand Deposit	f) I Form
7. AS-17	g) Net profit as per account
8. Register of Members	h) IRDA
9. Bonus is declared on	i) Form N
10. Dilution	j) Segment reporting
	k) Capital Profit
	l) Future Maintainable Profit

Q 3. The following are the figures extracted from the books of Kadam Bank Ltd. as on 31st March, 2019 :

(20)

Particulars	Rs.
Rent and Taxes paid	25,000
Postage and Telegrams	35,000
Statutory reserve fund	5,00,000
Commission, Exchange and Brokerage	3,00,000
Rent Received	1,50,000
Profit on sale of investment	50,000
Depreciation on bank's Properties	30,000
Stationery Expenses	45,000
Interest and Discount Received	37,00,000
Interest paid on Deposits	20,00,000
Issued and Subscribed Capital	10,00,000
Salaries and Allowances	2,50,000
Directors Fees and Allowances	75,000
Preliminary Expenses	25,000
Auditor's Fees	15,000

The following further information is given:

- 1) Rebates on bills discounted on 31st March, 2018 was Rs.8,00,000 and on 31st March 2019 was Rs.5,00,000.
- 2) Provision Rs.3,50,000 for Income Tax.
- 3) The Directors desire to declare 10% dividend.
- 4) A customer's to whom a sum of Rs.13,00,000 has been advance has become insolvent and it is expected only 50 % can be recovered from his estate.

Prepare the Profit and Loss Account of Kadam Bank Ltd. For the years ended 31st March, 2019.

Q.4 Prem Coast Ltd. has a branch in New York. On 31st December, 2018 the trail balance of the branch was as given below: (20)

Particulars	Dr.(\$)	Cr.(\$)
Stock 1 st January 2018	30,000	-----
Furniture and Fixture	40,000	-----
Cash in hand	20,000	-----
Cash at bank	8,000	-----
Head Office account	-----	40,000
Sales	-----	3,40,000
Goods from head office A/c	1,80,000	-----
Owing for expense	-----	21,000
Salaries	52,000	-----
Taxes, Insurance, etc	1,000	-----
Rent	10,000	-----
Sundry Debtors	60,000	-----
Total	4,01,000	4,01,000

The Branch account in head office showed a debit balance of Rs.4, 50,000 and Goods sent to branch account a Credit balance of Rs.32,30,000. The stock at branch on 31st December, 2018 was valued at \$ 18,000. Furniture and Fixture are acquired in 01st January, 2018 @ 1\$ =85 and depreciation @ 5% p.a is to be provide for the current year.

The exchange rates were:

January 1, 2018 \$ 1 = Rs.70.00

December 31, 2018 \$ 1 = Rs.80.00

Average \$ 1 = Rs.78.00

Prepare Trading account, Profit and loss account and Balance sheet of New York branch for the year ended 31st December, 2018.

Q.5 The balance sheet of a Suraksha company as at 31-03-2019 was as follows:- (20)

Liabilities	Rs.	Assets	Rs.
Share Capital 5000 shares	5,00,000	Land and Building	1,10,000
General Reserve	40,000	Plant and Machinery	1,30,000
Profit and Loss A/c	32,000	Patents	1,00,000
Sundry Creditors	1,28,000	Stock	2,00,000
Income Tax	1,00,000	Debtors	88,000
		Bank Balance	1,60,000
		Preliminary Expenses	12,000
Total	8,00,000	Total	8,00,000

The profits of the company have been as follows:

2016-2017: 90,000

2017-2018: 1, 10,000

2018-2019: 1, 00,000

The expert valued the land and building at Rs.2,40,000/- , Goodwill at Rs.2,00,000/- and Plant and Machinery at Rs.1,20,000/-. Depreciation is charged @15% on plant and @10% on building. Out

of the total debtors, it is found that of Rs.8,000/- are bad. The company follows the practice of transferring 25% of profits to general reserve. Similar type of companies earn at 10% of the value of their shares. Ascertain the value of the company's shares under:

- a) Intrinsic Value method
 - b) Yield value method
 - c) Fair value method
- Ignore Taxation.

Q6. Priyanka Co-operative Society Ltd. is rendering loans and food supplies to its members. The trial balance of the society as on 31st March, 2019 is as follows : (20)

Particular	Dr. (Rs.)	Cr. (Rs.)
Share capital	-----	50,000
Bank loan (simple)	-----	70,200
Sahakari sangh share purchase	10,000	-----
Stationery and Printing	2,000	-----
Bank share purchase	14,000	-----
Dead Stock	10,000	-----
Interest on members loan	-----	70,000
Member's Loan	1,60,000	-----
Member's deposits	-----	1,00,000
Purchase of food supplies	2,38,000	-----
Sale of food supplies	-----	2,60,000
Office Rent	30,000	-----
Salaries	30,000	-----
Travelling Expenses	3,600	-----
Freight	2,400	-----
Coolie Charges	2,000	-----
Bank Current Account	66,000	-----
Bank Interest	52,000	-----
Reserve and Other funds	-----	1,00,000
Cash Balance	30,200	-----
Total	6,50,200	6,50,200

Adjustment:

1. Provide for Audit fees dues Rs.1,200.
2. Outstanding office salaries Rs.2,000.
3. Closing stock of food supplies on 31-03-2019 was Rs.70,000.
4. Provide Bad Debts reserve Rs.3,000.
5. Provide depreciation on dead stock at 10%.

You are required to prepare Trading, Profit and Loss Account for the year ending on 31-03-2019 and Balance sheet of Priyanka Co-operative Society Ltd. as on that date.

Q.7 From the following information as on 31st March, 2019.

(20)

Particulars	Direct Business (Rs.)	Re-insurance (Rs.)
1. Premium :		
-Received	19,20,000	2,88,000
-Receivable – 01 st April, 2018	96,000	16,800
-Receivable – 31 st March, 2019	1,44,000	22,400

Premium Paid	1,92,000	-----
-Payable- 01 st April, 2018	-----	16,000
-Payable -31 st March, 2019	-----	33,600
2. Claims :		
Paid	13,20,000	1,00,000
-Payable- 01 st April, 2018	76,000	10,400
-Payable -31 st March, 2019	1,40,000	17,600
-Received	-----	80,000
-Receivable – 01 st April, 2018	-----	7,200
-Receivable – 31 st March, 2019	-----	9,600
3. Commission :		
On Insurance accepted	1,20,000	8,800
On Insurance Ceded	-----	11,200

Find out the :

1. Net premium earned
2. Net claim incurred.
3. Net commission.