

Fin. Report. & Ana. (Corp. Bkg & Ins.)

QP Code : 26360

(2½ Hours)

[Total Marks : 75

- N. B. :
- (1) Attempt all the questions.
 - (2) Figures to the right indicate full marks.
 - (3) Working notes should be part of your answers.
 - (4) Use of simple calculator is allowed.

1. (a) Fill in the blanks :-

- (1) The schedule _____ of the companies act, 2013 provides that the accounts can be presented in the prescribed format (VI or V)
- (2) Dividends are usually paid on _____ (issued capital or Paid up Capital)
- (3) The term surrender is used in _____ Insurance. (Life or Marine)
- (4) Depreciation Accounting is related to _____. (AS-6 or AS-11)
- (5) _____ is Dividend paid in between two Annual General Meeting. (Interim Dividend or Final Dividend)
- (6) Expectation of Standard Current Ratio is _____. (3:1 or 2:1)
- (7) Buying and selling of Building is _____. (Operating Activity or Investing Activity)
- (8) In Cash Flow Statement depreciation is _____. (deducted from book profits or added to book profits).

[TURN OVER

(b) Match the following :-

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Group 'A'	Group 'B'
(1) Disclosure of Accounting Policies	(a) Shown as Contingent Liability
(2) Accounting for Fixed Assets	(b) Debit P and L a/c
(3) Disputed Tax Demand	(c) AS-1
(4) Tax Demand accepted exceeds Provision for Tax	(d) AS-10
(5) Investments	(e) Shchedule-8
(6) Fixed Assets	(f) Schedule-10
(7) Working Capital	(g) AS-11
	(h) Current Assets - Current Liabilities
	(i) Liquid Assets - Liquid Liabilities

[TURN OVER

2. From the following balances of Aaysha Bank Ltd. on 31st March, 2015, 15
Prepare Profit & Loss A/C and Balance Sheet as on that date.

	Dr. (₹)	Ct. (₹)
Equity Share Capital		4,00,000
Profit and Loss A/c (1/4/2014)		1,60,000
Current Deposit Account		13,60,000
Fixed Deposit Account		15,60,000
Savings Account		10,30,000
Director's Fees	18,000	
Audit Fees	4,000	
Furniture (Cost ₹ 4,00,000)	3,48,000	
Interest and Discount		8,40,000
Commission & Exchange		4,00,000
Reserve Fund		1,40,000
Printing and Stationery	16,000	
Rent and Taxes	30,000	
Salary	2,80,000	
Building (Cost ₹ 12,00,000)	9,00,000	
Legal Charges	10,000	
Cash in hand	54,000	
Cash with RBI	14,00,000	
Cash with other bank	12,00,000	
Investment at Cost	4,80,000	
Loans, Cash Credits & Overdrafts	12,00,000	
Bills Discounted & Purchased	5,00,000	
Interest Paid	7,00,000	
Borrowings		8,00,000
Branch Adjustment Accounts		4,50,000
	71,40,000	71,40,000

Following additional information is available :-

- (a) The bank has accepted on behalf of the customer's bills worth ₹ 5,00,000.
- (b) Rebate on bills discounted is ₹ 20,000.
- (c) Provide depreciation on Building @ 5% p.a. and Furniture @ 15% p.a. on Cost.
- (d) Provide ₹ 16,000 for Bad & Doubtful Debt.
- (e)* Transfer to Statutory Reserve is 20% of current year's profit.

OR

2. Write short note on :-

- (a) Provisions for NPA
- (b) Statutory Reserve
- (c) Unexpired discount

3. From the following information of Reliance Insurance Company Ltd., you are required to prepare Revenue A/C for Fire Departments for the year ended 31st March, 2015.

Particulars	Amount ₹
<u>Claims</u>	
Paid	25,00,000
Payable as on	
1/4/2014	4,00,000
31/3/2015	5,50,000
<u>Premium</u>	
Received	52,00,000
Paid on Reinsurance	2,00,000
Recovered on Reinsurance	4,00,000
<u>Commission on</u>	
Direct business	1,00,000
Reinsurance ceded	10,000
Reinsurance accepted	5,000
Management Expenses	10,50,000
Interest and dividend (Gross)	2,50,000
Legal expenses regarding claims	1,50,000

Reserve for Unexpired Risk was ₹ 18,00,000 as on 1.4.2014.
Provide Reserve 50% of net premium as on 31st March, 2015..

OR

3. Write short note on :-

- Reserve for unexpired risk
- AS-6: Depreciation Accounting
- AS-1: Disclosure of Accounting Policies

4. The Trial Balance of Jojo Ltd. as on 31/03/2015 showed the following details:-

Particulars	₹
Equity Share Capital (Rs. 10 each)	9,00,000
2,000, 8% Preference Share Capital (Rs. 100 each)	2,00,000
Reserves	2,80,000
Profit and Loss Account	80,000
Calls in Arrears (Final call of ₹ 3 on Equity Shares)	30,000
Redemption Account	55,000

Further Information :-

- The redemption account represents redemption of Preference Shares including 10% premium during the year.
- The authorised capital of the company consists of 1,00,000 Equity Shares of ₹ 10 each and 2,000, 8% Preference Shares of ₹ 100 each.
- The Company transferred ₹ 50,000 to Capital Redemption Reserve Account from the Reserves and ₹ 20,000 to General Reserve from Profit and Loss A/c.

You are required to Prepare Schedules of (a) Share Capital (b) Reserves & Surplus as per Companies Act, 1956.

OR

4. State the requirements of Schedule VI of Companies Act, 1956 as regards to :- 15

- (a) Share Capital
- (b) Current Liabilities & Provisions
- (c) Loan Fund

5. The assets of XYZ Ltd. consists of Current Assets while its Current Liabilities comprise of Bank Overdraft and Trade Creditors in the ratio of 2:1. From the following figures relating to the company for the year 2015 prepare Balance Sheet showing details of working.

Share Capital	₹ 1,99,500
Working Capital	₹ 45,000
(Current Assets - Current Liabilities)	
Gross Margin	20% on Sales
Inventory Turnover Ratio	6 Times
Average Collection period	2 months
Current Ratio	1.5
Quick Ratio	0.9
Reerves & Surplus to cash	3:1

XYZ Ltd.
Balance Sheet as on 31st March, 2015

Liabilities	₹	Assets	₹
Share Capital	1,99,500	Fixed Assets	?
Reserves & Surplus	?	<u>Current Assets :</u>	
<u>Current Liabilities :</u>		Inventory	?
Bank Overdraft	?	Receivable	?
Trade Creditors	?	Cash	?
	?		?

OR

5. Summarised Balance Sheets of Deepika Company for years ending 31st March, 2014 and 31st March 2015 are given below :-

Balance Sheet

Liabilities	31.03.14	31.03.15	Assets	31.03.14	31.03.15
Equity Capital	60,00,000	60,00,000	Land and Building	14,20,000	17,50,000
General Reserve	30,90,000	34,10,000	Plant & Machinery	31,00,000	37,50,000
Profit & Loss A/c	1,50,000	1,80,000	Furniture & Fixture	8,40,000	9,80,000
16% Debentures	-	15,00,000	Investments	50,000	60,000
Sundry Creditors	3,10,000	3,70,000	Stock	3,40,000	4,20,000
			Debtors	30,00,000	36,00,000
			Cash and Bank	8,00,000	9,00,000
	95,50,000	1,14,60,000		95,50,000	1,14,60,000

Additional Information :-

- (a) Dividend of ₹ 1,80,000 for the year ended 31.03.2014 was paid during 2015.
- (b) Investment costing ₹ 10,000 was sold for ₹ 12,000.
- (c) Depreciation on assets for the year ending 31.03.2015 was charged to Profit and Loss Account as follows :-

Land and Building	₹ 42,000
Plant & Machinery	₹ 4,74,000
Furniture and fixtures	₹ 1,84,000

- (d) Sale of fixed assets :-

Machinery : Sale value ₹ 1,00,000 (W.D.V. ₹ 2,20,000)

Furniture : Sale value ₹ 50,000 (W.D.V. ₹ 20,000)

You are required to Prepare Cash Flow Statement for the year ending 31.03.2015 as per AS-3.