

REMEDIAL WORKSHEET

TY BAF : Sem V Financial Accounting VI

Unit 1 :- Final Accounts of Banking Company

Q.1. Fill in the blanks. (1 Mk. each)

1. Discounted Bills Purchased are shown under_____. (Dec., 22)
2. Locker Rent under Banking Company are shown under_____. (Dec., 22)

Q.2. State whether the following statements True or False. (1 Mk. each)

1. Current Account is opened by businessman. (Dec., 22)
2. A provision of 40% has to be created in case of Loss Assets under Provision for NPA's in case of Banking Company. (Dec., 22)

Q.3. Write short notes on. (5 Mks.)

1. Rebate on Bills discounted. (Dec., 22)

Q.4. Practical Question.

1. Following is trial balance of Sun Bank Ltd. Prepare Balance Sheet as on 31.03.2022.

Trial balance as on 31.03.2022.

(15 Mks. Nov., 22)

Particulars	Dr. (Rs.)	Particulars	Cr.(Rs.)
Accrued interest	70,000	Share Capital of 100 each, Rs.50 called	5,00,000
Cash in hand	1,20,000	Statutory Reserve Fund	13,00,000
Cash with RBI	2,00,000	Dividend Equalization Reserve	2,00,000
Cash with Other Banks	3,00,000	Profit and Loss on 31.03.2021	5,00,000
Money at call	50,000	Current Accounts	80,000
Investment in government Securities	1,50,000	Saving Bank deposits	3,00,000
Shares and Debentures	50,000	Fixed deposits	8,00,000
Gold	3,50,000	Recurring deposit	2,00,000
Cash credit, overdraft and loan	18,90,000	Borrowings	6,00,000
Bill discounted	3,00,000	Branch Adjustment	20,000
Fixed Assets(at cost)	20,00,000	Unclaimed dividend	40,000
Fixed Assets acquired in satisfaction of claim	60,000	Proposed dividend	50,000
Advance Tax	20,000	Provision for tax	30,000
Tax deducted at source	10,000	Unexpired discount	50,000
		Bills payable	40,000
		Accrued Interest	40,000
		Provision for Depreciation	8,00,000
		Reserve for Doubtful Debts	20,000
	55,70,000		55,70,000

Additional Information:

1. Guarantees given on behalf of constituents Rs. 25,000.
2. Liability for partly paid investment Rs. 20,000.
3. Bills for collection Rs.2,00,000
4. A claim by employees for bonus amounting to Rs. 15,000 is pending award of arbitration.

2. The following figures have been obtained from the books of the Galaxy Bank Ltd. For the year ending 31st March, 2021. (15 Mks. Nov., 22)

Particulars	Amount
Interest earned	50,00,000
Auditor Fees	16,000
Depreciation	62,000
Rent received	1,24,000
Loss on sale of assets	76,000
Profit on sale of investments	1,80,000
Printing and Stationery	4,20,000
Postage and Telegrams	1,22,000
Rent and Taxes	1,40,000
Director Fees	70,000
Salaries and Wages	4,20,000
Interest paid	40,00,000
Commission and Exchange	3,90,000
Discount earned	26,00,000

Additional Information:

- The Profit and Loss account had a balance of Rs.10,00,000 on 1st April,2020.
- An advance of Rs.5,68,000 has become doubtful and its expected that only 50% of the amount due can be recovered from the security.
- The provision for tax amounted to Rs. 9,39,000.
- A dividend of Rs.2,00,000 is proposed by the board of directors.

Prepare profit and loss account of the bank Ltd. For the year ending 31st March, 2021.

Unit 2 -: Final Accounts of Insurance Company

Q.1. Fill in the blanks. (1 Mk. each)

- Reinsurance Obligation are disclosed under _____. (Dec., 22)
- _____ is deducted from premium earned. (Dec., 22)

Q.2. State whether the following statements True or False. (1 Mk. each)

- Final Accounts of General Insurance need not be prepared in prescribed form. (Dec., 22)
- Profit and Loss A/c has been prepared as per form B-PL. (Dec., 22)

Q.3. Write short notes on. (5 Mks.)

- Reinsurance. (Dec., 22)

Q.4. Practical Question.

- Following information is provided to you of Royale Fire Insurance Company Ltd for the year ended 31st March, 2022. (15 Mks. Nov., 22)

Particulars	Amount
Claims Paid	2,25,000
Legal Expenses regarding claims	20,250
Claims unpaid (01/04/2021)	40,500
Claims unpaid (31/03/2022)	38,250
Premium received	6,75,000
Reinsurance Premium Paid	33,750
Commission on direct business	1,57,500
Management Expenses	67,500
Provision for Unexpired Risk (01/04/2021)	2,47,500
O/s Premiums (01/04/2021)	1,00,000

O/s Premiums (31/03/2022)	1,50,000
Commission on Reinsurance Business Accepted	20,000
Commission on reinsurance Business Ceded	15,000
Surveyors fees regarding claims	15,750

Provision for unexpired risk to be created @ 50%.

Prepare Revenue A/c for the year ended 31st March, 2022 of Royale Fire Insurance Co. Ltd.

Unit 3 :- Non-Banking Financial Companies (NBFC)

Q.1. Fill in the blanks. (1 Mk. each)

- _____ is not a part of payment & settlement system. (Dec., 22)
- “Owned Fund” excludes _____. (Dec., 22)

Q.2. State whether the following statements True or False. (1 Mk. each)

- NBFC is registered under IRDA Act. (Dec., 22)
- NBFC is basically a banking company. (Dec., 22)

Q.3. Write short notes on. (5 Mks.)

- Asset Finance Company. (Dec., 22)

Q.4. Long Answer.

- Explain and concept and computation of Net Owned Fund under NBFC. (7 Mks., Dec., 22)

Unit 4 :- Valuation of Goodwill & Shares

Q.1. Fill in the blanks. (1 Mk. each)

- Capitalised value of Super Profit = Super Profit / _____ x 100. (Dec., 22)
- Goodwill is Rs. 3,20,000, Number of Years of Purchase is 4 years. Super Profit will be _____. (Dec., 22)

Q.2. State whether the following statements True or False. (1 Mk. each)

- Intrinsic Value Per Share Method is also called as Asset Backing Method. (Dec., 22)
- Goodwill doesn't have realizable value. (Dec., 22)

Q.3. Practical Question.

- The balance sheet of Prabhat as on 31st March, 2022 was as under. (15 Mks., Dec., 22)

Balance Sheet as on 31st March, 2022

Liabilities	Amount	Assets	Amount
25,000 equity shares of Rs.10 each fully paid	2,50,000	Plant	3,00,000
10,000 8% preference share of Rs.10 each	1,00,000	Furniture	2,00,000
Securities Premium	3,00,000	Freehold Premises	3,00,000
General Reserves	4,00,000	Vehicles	50,000
10% Debentures	2,00,000	Stock	2,50,000
Accounts payable	2,50,000	Debtors	3,50,000
		Cash	50,000
	15,00,000		15,00,000

The company earned profits (after tax) for the past five years as follows:

Year ended	Profit after Tax (Rs.)	Income tax rate
31.03.2018	1,80,000	40%
31.03.2019	3,38,000	35%
31.03.2020	3,64,000	35%
31.03.2021	2,60,000	35%
31.03.2022	4,20,000	30%

2. The following is the summarized Balance Sheet of Moon Ltd. As on 31st March, 2022.

(15 Mks., Dec., 22)

Liabilities	Rs.	Assets	Rs.
1,00,000 equity shares of Rs.10 each fully paid	10,00,000	Goodwill	1,00,000
General Reserves	5,00,000	Machinery	5,00,000
Profit and Loss A/c	5,60,000	Furniture	4,00,000
Security Premium	2,00,000	Investments	1,00,000
Sundry Creditors	8,50,000	Stock	7,00,000
Provision for Tax	5,00,000	Debtors	9,00,000
		Cash in Hand	6,000
		Cash at Bank	9,00,000
		Preliminary Expenses	4,000
	36,10,000		36,10,000

Additional Information:

1. Machinery is valued at Rs.6,00,000
2. The company transfer 20% of its profit(after tax) to General Reserve.
3. Net Profits before tax for the past 3 years were as follows:

Year	Amount
31.03.2020	6,50,000
31.03.2021	7,50,000
31.03.2022	7,00,000

4. Normal rate of return in this type of business is 20%
5. Assume Income Tax @ 50%
6. Use simple Average.

Calculate the value of equity share by –

- a) Intrinsic Value Method
- b) Yield Value Method.

Unit 5 :- Accounting For Limited Liability Partnership

Q.1. Fill in the blanks. (1 Mk. each)

1. LLP has _____. (Dec., 22)
2. The minimum number of partners LLP can have is _____. (Dec., 22)

Q.2. State whether the following statements True or False. (1 Mk. each)

1. LLP is convenient for professionals. (Dec., 22)
2. Out of the 2 designated partner, one should be an Indian Resident. (Dec., 22)

Q.3. Write short notes on. (5 Mks.)

1. Designated Partner. (Dec., 22)
2. LLP Agreement. (Dec., 22)

Q.4. Long Answer.

1. Explain the difference between LLP and Partnership Firms. (8 Mks., Dec., 22)

Q.5. Practical Question.

1. M/s Jupiter & Sons whose partners shared their profits and losses in equal proportion decided to convert into LLP on the following terms and conditions on 1st April, 2021, when their Balance was as follows: (15 Mks., Dec., 22)

Liabilities	Amount	Assets	Amount
Capital Balances		Building	90,750
Happy	1,00,000	Furniture	31,125
Merry	1,25,000	Equipment	15,000
Sundry Creditors	67,500	Inventory	51,000
O/s Expenses	13,125	Trade Receivables	1,20,000
Loan from Bank	45,000	Bank Balance	30,000
		Cash Balance	12,750
	3,50,625		3,50,625

Terms of conversion were as follows:

1. Provision for Doubtful debts is to be created at 10 % on receivables
2. Building is to be taken over at Rs. 2,25,000
3. Inventory is to be revalued at Rs. 47,250
4. Partners took over loan from Bank
5. Goodwill was valued at Rs. 75,000.

You are required to :

- a) Calculate the purchase consideration
- b) Prepare Realisation A/c, Partners Capital A/c and LLP A/c.
