

SYBCOM SEMESTER END ASSESSMENT JUNE 2022

ACCOUNTING FOR SERVICE ORGANISATION (UCOC110)

Semester: IV

Duration: 2 Hours

Max Marks: 80

Instructions:

1. Question 1 is compulsory.
2. Answer **any three** questions from Q. 2. to Q.6.
3. Working note should form part of solution.
4. Use of non-programmable calculator is allowed.
5. Figures to the right in brackets indicate maximum marks.

Q.1. The following figures are extracted from the books of Shree Bank Ltd. as on 31.3.2021.

Particulars	Amount	Particulars	Amount
Interest and discount received	20,30,000	Directors' fees & allowances	12,000
Interest paid on deposits	12,02,000	Rent and taxes paid	54,000
Issued and subscribed capital	500,000	Stationery and printing	12,000
Reserves	350,000	Postage and telegram	25,000
Commission & brokerage	90,000	Other expenses	12,000
Rent received	30,000	Audit fees	4,000
Profit on sale of investment	95,000	Depreciation on bank properties	12,500
Salaries & allowances	105,000		

Other information:

1. Provide for bad and doubtful debts necessary Rs. 200,000.
2. Rebate on bill discounted as on 31.3.2021 Rs. 7,500.
3. Provide Rs. 350,000 for income tax.
4. The directors declared 10% dividend.

Prepare the profit and loss account in accordance with the Banking regulations Act. (20 Marks)

Q.2. A) From the following information of Metro General insurance company for the year ended 31.3.2022, you are required to prepare revenue account.

Particulars	Amount
Premium received	75,25,000
Reinsurance premium accepted	825,000
Reinsurance premium ceded	490,000
Claims paid during the year	49,70,000
Claims accepted	12,23,000
Claims ceded	11,30,000
Expenses of management	190,000
Commission	160,000
Reinsurance commission accepted	15,000
Reinsurance commission ceded	18,000

Other information:

1. Legal expenses and surveyors' fees against claims are Rs. 55,000 and Rs. 45,000.
 2. Reserve for unexpired risk is to be maintained at 40%. The balance of reserve for unexpired risk as on 1.4.2020 was Rs. 28,40,000
- (10Marks)

B) Explain the different types of deposits.

(10Marks)

Q.3. From the following information, prepare a Balance Sheet of Sai Bank Ltd. as on 31.3.2021 giving the relevant schedules.

Particulars	Amount
Share capital	198,000
Statutory reserve	231,000
Profit & loss account (Previous year)	412,000
Fixed deposit account	517,000
Savings deposit account	450,000
Current account	520,120
Current year Profit & loss account	150,000
Bills payable	100
Cash credits	840,100
Borrowings from other banks	110,000
Cash in hand	204,760
Cash with other banks	314,650
Money at call	44,610
Gold	55,230
Government Securities	110,170
Premises	156,800
Furniture	70,900
Term loan	792,880

Additional Information:

1. Bills for collection Rs. 181,000.
2. Acceptances and endorsements Rs. 196,200.
3. Depreciation on premises Rs. 1,100.
4. Depreciation on furniture Rs. 780.

(20Marks)

Q.4. From the following prepare revenue account and profit & loss account of the Fire insurance co. ltd. as at 31.3.2022:

Particulars	Amount	Particulars	Amount
Reserve for unexpired risk(1.4.2021)	496,600	Interest on investments	106,000
Additional reserve	49,660	Income tax deducted	24,800
Premium less reinsurance	720,000	Closing balance of additional reserve	216,000
Miscellaneous receipts	7,400	Furniture and fittings	52,000
Claims outstanding (1.4.2021)	160,000	Sundry creditors	24,000
Claims paid	470,000	Cash at bank	16,000
Commission	35,000	Sundry debtors	32,460
Expenses of management	54,000		
General reserve	86,000		
Audit fees	10,000		
Directors' sitting fees	3,400		
Depreciation	5,000		
General charges	12,000		

Additional information:

1. Outstanding claims due and intimated as on 31.3.2022 Rs. 60,000.
2. Dividend at 8% has been declared by the directors out of Profit after appropriation.
3. Transfer 30% of the profit after appropriation to general reserve.
4. Reserve for unexpired risk to be created at 80%.

(20 Marks)

Q.5. The following balances have been extracted from the books of Tej hotel Ltd. as on 31.3.2022. You are required to prepare profit and loss account of Tej Hotel.

Particulars	Amount
Miscellaneous receipts	120,000
Purchases of provisions	900,000
Share capital	600,000
Bank overdraft	100,000
Collection from visitors	20,00,000
Opening stock of provisions	300,000
Office expenses	400,000
Premises	500,000
Kitchen plant	100,000
Restaurant furniture	20,000
Motor car	15,000
Linen and Cutlery	40,000
Salaries and wages	200,000
Selling and distribution expenses	150,000
Interim dividend	60,000
Closing stock of provisions	600,000
Unsecured loan	300,000
Preliminary expenses	10,000

Other information:

1. Provide depreciation on Kitchen Plant Rs. 10,000, Restaurant furniture Rs. 2,000, Motor car Rs. 3,000, Premises Rs. 50,000 and Linen & Cutlery Rs. 10,000.
2. The unsecured loan was taken on 1.1.2022 at 18% interest p.a.
3. Auditors' fees Rs. 5,000 and directors' fees Rs. 3,000.
4. Provision for taxation Rs. 350,000.
5. Preliminary expenses are to be written off.

(20 Marks)

Q.6. Answer ANY FOUR from the following

(4*5=20Marks)

- a) Explain different types of advances.
- b) What do you mean by non-performing assets?
- c) Explain different facilities offered by a bank.
- d) How saving deposit is different from fixed deposit?
- e) Explain different types of banks in India.
- f) What do you mean by payments bank?