|  |  |  |  |  |  |  |  |  |  |  |  |
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| Reg No: |  |  |  |  |  |  |  |  |  |  |  |

**D.K.M.COLLEGE FOR WOMEN (AUTONOMOUS), VELLORE-1**

**SEMESTER EXAMINATIONS**

**APRIL - 2017 15CPCO2C**

**ADVANCED ACCOUNTS**

Time : 3 Hrs Max.Marks : 75

SECTION-A (5x 6 =30)

**Answer ALL the questions.**

1. (a) On 31st March, 1998 a bank held the following bills, discounted by it

|  |  |  |  |
| --- | --- | --- | --- |
| Date of bill 1998 | Term of bill (months) | Discounted @ % | Amount of bill Rs. |
| Jan, 17 | 4 | 17 | 7,30,000 |
| Feb, 7 | 3 | 18 | 14,60,000 |
| Mar, 9 | 3 | 17.5 | 3,64,000 |

You are required to calculate the rebate on bills discounted. Also show the necessary

Journal entry for the rebate.

(Or)

(b) Explain in detail the legal provision relating to the final accounts of a Banking company.

1. (a) The Revenue account of a life insurance company showed the life fund at Rs. 73,17,000 on

31.03.2016 before taking into account.

|  |  |
| --- | --- |
| 1. Claims intimated but not admitted | Rs. 98,250 |
| 1. Bonus utilized in reduction of premium | Rs. 13,500 |
| 1. Interest accrued on investments | Rs. 29,750 |
| 1. Outstanding premiums | Rs. 27,000 |
| 1. Claims covered under reinsurance | Rs. 40,500 |
| 1. Prevision for taxation | Rs. 31,500 |

.Pass Journal entries giving effect to the above adjustments and show the adjusted life fund.

(Or)

(b) Draft the schedules prepared for Life Insurance Company as per the IRDA regulations?

1. (a) Consolidate the following Balance Sheets.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Liabilities | . H Rs. | S Rs. | Assets | H Rs. | S Rs. |
| Capital Rs. 1 shares | 1400 | 1000 | 900 shares in S at cost | 1200 | - |
| Creditors | - | 500 | Sundry assets | 200 | 1800 |
| P and L A/c | - | 300 |  |  |  |
|  | 1400 | 1800 |  | 1400 | 1800 |

When H Ltd., acquired the shares in S the profit and loss A/c of the latter had a credit balance of Rs. 200.

(Or)

(b) Write short notes on

1. Minority interest.
2. Cost of control.
3. Capital profits and Revenue profits.
4. (a) From the following details compute appropriate conversion factors.

* General price index number – opening 200, closing 300, average for the year 240.
* General price index numbers – at the end of the year 200 on the date of acquiring on item of stock 120 on the date of acquiring an asset 150.

(Or)

(b) Write a brief note on “Current purchasing power method”.

1. (a) Explain the importance of Human Resource Accounting.

(Or)

(b) Explain the objectives of social responsibility Accounting.

SECTION-B (3x15 =45)

**Answer any THREE of the following questions.**

1. From the following information prepare the P/L a/c of ABC Bank Ltd., for the year ended on 31st March 2015.

|  |  |
| --- | --- |
|  | Rs. |
| Interest on Loan | 2,59,000 |
| Interest on fixed deposits | 2,75,000 |
| Rebate on bills discounted required | 49,000 |
| Commission | 8,200 |
| Establishment | 54,000 |
| Discount on bills discounted | 1,95,000 |
| Interest on cash credit | 2,23,000 |
| Interest on current A/c | 42,000 |
| Rent and Taxes | 18,000 |
| Interest on overdraft | 1,54,000 |
| Director’s fees | 3,000 |
| Auditor’s fees | 1,200 |
| Interest on savings bank deposits | 68,000 |
| Postage and telegrams | 1,400 |
| Printing and stationery | 2,900 |
| Sundry charges | 1,700 |

Bad debts to be written off amounted to Rs. 40,000. Provision for taxation may be made @ 55% balance of profit from last year was Rs. 1,20,000. The directors have recommended a dividend of Rs. 20,000 for the shareholders.

1. From the following balances of united general insurance co. Ltd., as on 31.03.2015 prepare
2. Fire revenue A/c
3. Marine Revenue A/c
4. Profit and Loss A/c

|  |  |  |  |
| --- | --- | --- | --- |
|  | Rs.  (‘000) |  | Rs.  (‘000) |
| Provisional for unexpired risk on 1.4.14 |  | Interest dividends | 28 |
| Fire | 500 | Diff. in exchange (Cr) | 6 |
| Marine | 1640 | Misc. receipts | 10 |
| Additional reserve on 1.4.14 |  | Profit on sale of land | 120 |
| Fire | 100 | Premium received |  |
| Bad debts |  | Fire | 1200 |
| Fire | 10 | Marine | 2160 |
| Marine | 24 | Expenses of manag. |  |
| Auditer’s fees | 2.4 | Fire | 290 |
| Director’s fees | 10 | Marine | 800 |
| Share transfer fees | 1.6 | Commission earned on  reinsurance coded |  |
| Bad debts recovered | 2.4 | Fire | 60 |
| Claim paid and o/s |  | Marine | 120 |
| Fire | 380 |  |  |
| Marine | 760 |  |  |
| Commission paid |  |  |  |
| Fire | 180 |  |  |
| Marine | 216 |  |  |
| Depreciation | 70 |  |  |

Provision for unexpired risk to be kept at 50% of the premium for fire and at 100% for marine. The additional reserve in case of fire insurance is to be increased by 5% of the net premium.

1. On 31st March 2014 the balance sheets of H Ltd., and its subsidiary S Ltd stood as Follows.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Liabilities | H Ltd  Rs. | S Ltd.,  Rs. | Assets | H Ltd.,  Rs. | S Ltd.,  Rs. |
| Equity capital | 8,00,000 | 2,00,000 | Fixed assets | 5,50,000 | 1,00,000 |
| General reserve | 1,50,000 | 70,000 | 75% share in S Ltd, (at cost) | 2,80,000 | - |
| P/L A/c | 90,000 | 55,000 | Stock | 1,05,000 | 1,77,000 |
| Creditors | 1,20,000 | 80,000 | Other current assets | 2,25,000 | 1,28,000 |
|  | 11,60,000 | 4,05,000 |  | 11,60,000 | 4,05,000 |

Draw a consolidated balance sheet as at 31st march 2014 after taking into consideration the following information.

1. H Ltd., acquired the shares on 31st July 2013.
2. S Ltd., earned profit of Rs. 45,000 for the year ended 31st March 2014.
3. In January 2014 S Ltd., sold to H Ltd., goods costing Rs. 15,000 for Rs. 20,000. On 31st March 2014 half of these goods were lying as unsold in the godown of H Ltd.,
4. Ascertain net monetary result or general price level gain or Loss from the following information.

|  |  |  |
| --- | --- | --- |
|  | 1.1.2010  Rs. | 31.12.2010  Rs. |
| Cash and bank balance | 60,000 | 88,000 |
| Accounts receivable | 80,000 | 1,00,000 |
| Accounts payable | 1,00,000 | 1,24,000 |
| General retail price index number | 100 | 125 |
| Average index number for the year 120 |  |  |

1. Briefly discuss about the Human resource Accounting in India.

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