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ALL SAINTS COLLEGE LIBRARY TRIVANDRUM

Reg. No. : .....

Name : .....

Fifth Semester B.Com. Degree Examination, December 2019

First Degree Programme under CBCSS

Core Course : CO1543

ACCOUNTING FOR SPECIALISED INSTITUTIONS

(2014 Admission onwards)

(Common for CC 1544 (2014 Admission onwards))

Max. Marks : 80

Time : 3 Hours

SECTION – A

Answer **all** questions. Each question carries **1** mark :

1. Which insurance does not provide any bonus to the policy holders?
2. Schedule 8 of bank final accounts explain ————.
3. What are standard assets?
4. What is life insurance?
5. Mention any two stock exchanges in India.
6. Explain tariff dividend control reserve.
7. What do you mean by clear profit?

P.T.O.

8. What are group c shares?

9. Who is the present CAG of India?

10. Who is responsible for auditing of govt accounts?

(10 × 1 = 10 Marks)

SECTION – B

Answer **any eight** questions. Each question carries **2** mark.

11. What is valuation balance sheet?

12. What is bonus in reduction of premium?

13. Explain the terms SLR.

14. What do you mean reversionary bonus?

15. What is development reserve?

16. What is general reserve of electricity company?

17. Explain the functions of stock broker.

18. What is backwardation?

19. A life insurance company disclosed a fund of Rs. 14,00,000 on 31/3/2019 before taking the following into consideration

(a)	Interest approved on investment	14,250
(b)	Outstanding premium	14,400
(c)	Bonus in reduction in premium	3,375
(d)	Claims intimated but not admitted	8,700
(e)	Claims covered under reinsurance	3,250

Prepare a statement for re computation of funds.

20. What do you mean by short selling?

21. From the following information prepare schedule 3 of banking companies.

(a)	Demand deposit	40,000
(b)	Office expenses	5,000
(c)	Borrowing from RBI	50,000
(d)	Savings bank deposits	80,000
(e)	Bills payable	2,000
(f)	Term deposits	1,00,000

22. What do you mean by Kerb Market?

(8 × 2 = 16 Marks)

SECTION – C

Answer **any six** questions. Each question carries **4** mark.

23. Krishna bank limited has the following bills to be discounted on 31/3/2018 Compute the rebate on bills discounted.

Date of bill	Amount	Term	Rate of discount
10/1/2015	9,00,000	3 months	10%
16/2/2015	7,00,000	4 months	12%
11/3/2015	5,00,000	3 months	11%

24. How do you treat rebate on bills discounted if

(a) Rebate on bills discounted is given in trail balance

(b) If rebate on bills discounted is given in adjustment

25. The life assurance fund of Bharat life insurance company limited was 4192000 as on 31/12/2018 its actuarial valuation on 31/12/2018 disclose a net liability of 4040000 an interim bonus of 40000 was paid to the policy holders. It is now proposed to carry forward 32000 and divide the balance between policy holders and share holders. You are required to show

(a) valuation balance sheet

(b) distribution of net profit

(c) final bonus payable to policy holders.

26. Explain the difference between life insurance and general insurance.

27. Explain the functions of CAG in India.

28. Write a note on features of bank accounting.

29. Write a note on contingency reserve.

30. Give a summarized format of Revenue account of insurance companies.

31. From the following information calculate the amount of provision to be made in the profit and loss account for the year ended 31st March.

Particulars	Amount in lakhs
Standard	10,000
Sub standard	64,000
Doubtful assets :	
For one year	3,200
For two years	1,800
For three years	900
For more than 3 years	1,100
Loss assets	3,000

(6 × 4 = 24 Marks)

SECTION – D

Answer **any two** questions. Each question carries **15** marks.

32. What is stock exchange? Explain the major functions of stock exchange.

33. From the following particular prepare profit and loss account of global bank limited for the year ended 31/3/2019.

Interest on loans	2,59,000
Interest on fixed deposit	2,75,000
Rebate on bills discounted	49,000
Commission charge to customers	8,200
Establishment expenses	54,000
Interest on cash credit	2,23,000
Interest on current account	42,000
Rent and taxes	18,000
Interest on over draft	54,000
Director's and audit fees	4,200
Interest on savings bank deposit	68,000
Discount on bills discounted	1,95,000
Postage	1,400
Printing	2,900
Sundry charges	1,700

34. Following are the details extracted from the books of Bharat Life Assurance Company as on 31st March 2019

	Amount in lakhs
Premium	1,200
Reinsurance premium ceded	250
Reinsurance premium accepted	175
Claims paid	675
Surrenders	125
Commission on direct business	50
Commission on reinsurance ceded	20
Commission on reinsurance accepted	15
Consideration for annuity granted	40
Annuities paid	32
Interest dividend (after deduction of income tax at source 2 lakhs)	23
Reinsurance claims received	12
Registration fees	2
Salaries and allowances	15
Managerial remuneration	3
General expenses	2
Depreciation on fixed assets	3
Profit on sale of investment	5

Prepare revenue account after adjusting the following

Premium outstanding Rs. 20 lakhs

Claims outstanding Rs. 4 lakhs

Reinsurance claim receivable Rs. 12 lakh

Commission on direct business Rs. 3 lakhs

35. Following balances are extracted from the books of city light supply corporation as on 31st March 2019

Equity shares		1,64,700
Debentures		60,000
Sundry Creditors on open account		300
Depreciation fund		75,000
Capital expenditure on 31.3.2018	2,85,000	
Capital Expenditure on 2018-19	18,300	
Sundry debtors for Current supplied	12,000	
Other debtors	150	
Stores in hand	1,500	
Cash in hand	1,500	
Cost of generation of electricity	9,000	
Cost of distribution of electricity	1,500	
Management expenses	3,600	
Depreciation	6,000	
Interest on debentures	3,000	
Interim dividend	6,000	
Sale of current		39,000
Meter rent		
Balance of net revenue accounts as on 01.0.4.2018		8,550
	3,47,550	3,47,550

Prepare

(a) Capital account

(b) Revenue account

(c) Net Revenue account

(d) General balance sheet.

(2 × 15 = 30 Marks)
