

**Goa Vidyaprasarak Mandal's
GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE AND
ECONOMICS
PONDA- GOA
B.COM. CBCS (SEMESTER IV) SUPPLEMENTARY EXAMINATION
AUGUST, 2021
ACCOUNTING FOR SERVICE ORGANISATION**

Duration: 2 Hours

Marks: 40

Instructions:

- I. Answer ANY FOUR from the following questions.
II. Numbers to the right indicate marks.*

Q 1. Birla Insurance Ltd furnished the following information. Prepare Revenue Account and Profit and Loss Account for the Fire insurance business for the year ended 31.03.2021

Particulars	Amt(₹)	Particulars	Amt(₹)
Reserve for unexpired risk on 1.04.2020	2,50,000	Bad debts	10,000
Expenses of Management	1,28,000	Share transfer fees	4,500
Premium outstanding on 31.03.2021	84,000	Dividend on share capital	38,500
Claims outstanding on 1.04.2020	20,000	Claims paid	1,20,000
Commission on reinsurance received	16,000	Premium received less reinsurance	7,40,000
Commission paid	60,000	Additional reserve on 1.04.2020	30,000

Other information:

1. Provide 10% towards General Reserve and 5% towards taxation
(10)

(Marks :

Q2. Akashyan Ltd invited applications from public for 50,000 Equity shares of ₹ 10 each at a premium of ₹5 per share. The company received applications for 35,000 shares from the public out of which applications for 9,500, 5,000, 10,500 and 4,000 shares were marked in favor of the underwriters respectively. The entire issue was underwritten by the underwriters U, V, W and X to the extent of 3:3:2:2 respectively with the provision of firm underwriting of 2,000, 3,000, 1,000 and 1,000 shares respectively. The underwriter was entitled to 5% commission as permitted by law.

Compute:

- a) Liability of the Underwriters
b) Underwriting commission payable to the different underwrites

Marks : 10

Q 3. The following particulars are provided from the books of Indian Bank as on 31st March 2021.

Particulars	Amt(₹)	Particulars	Amt(₹)
Assets	22,00,000	Statutory reserves	10,00,000
Term loans	4,00,000	Money at call and short notice	45,00,000
Saving Bank deposits	28,00,000	Transfer to statutory reserves	50,00,000
Profit and Loss A/c (Credit)	14,00,000	Investment in shares	42,50,000
Bills Payable	20,00,000	Cash credits and Overdrafts	33,70,000
Term deposits	40,00,000	Investment in Government Securities	30,00,000
Borrowings from RBI	25,00,000	Borrowings from other banks	74,70,000
Cash in hand	22,50,000	Equity share capital	30,00,000

Other information:

a) Claims against the banks not acknowledged as debts ₹ 8,20,000

Prepare the Balance Sheet as on 31st March 2021 in the prescribed form along with relevant schedules.

(Marks : 10)

Q4. From the following information prepare the Profit and Loss Account of Saraswat Bank Ltd. for the year ended 31-3-2021 with the necessary schedules.

Particulars	Amt(₹)
Sundry Expenses	10,000
Allowances	1,50,000
Commission received	10,000
Interest on fixed deposit	2,75,000
Discount on Bills discounted (Net)	152,000
Interest on cash credit	2,40,000
Profit on sale of Investments	2,00,000
Rent & Rates	25,000
Interest on overdraft	30,000
Directors fees	10,000
Auditors fees	20,000
Interest on bank deposit	87,000
Postage and telegram	20,000
Stationary	10,000
Interest on loan	3,00,000

Additional information:

a) Taxation @ 55% to be provided.

b) Write off Bad debts at ₹ 40,000

Marks : 10

Q5. In the books of Hindustan General Insurance Co. Ltd. the following information was provided for the year ending 31st March 2021.

Prepare the Balance Sheet along with relevant schedules.

Particulars	Amt(₹)
Equity Share Capital	12,00,000
Reserves and Surplus	4,00,000
Unclaimed dividends	12,400
Profit and Loss A/c (Dr.)	2,09,400
Agents balance(Dr.)	1,76,400
Tax paid in advance	52,000
Cash in hand	24,400
Cash at bank	74,000
Sundry Creditors	12,600
Sundry Debtors	10,200
Furniture and fittings	22,600
Long term Investments	23,50,000

Additional Information :

- a) Outstanding Claims as on 31st March 2021 ₹ 2,20,000
- b) Reserve for Unexpired risk was ₹ 10,60,000
- c) Depreciation on Furniture amounted to ₹12,600

Marks : 10

Q6. Mr. Ram presents the following Trial Balance extracted from the books of Hotel Nilgiri as on 31st March 2020.

Particulars	Debit	Credit
Capital		140000
Sales		178500
Drawings	2750	
Building	90000	
Furniture & fittings	10000	
Cutlery & other utensils	35000	
Expenses towards gas	5200	
Electricity	5000	
Kitchen equipment	3000	
Repairs & maintenance	1500	
Provision	90000	
Purchase returns		750
Postage	1200	
Bad debts	750	
Bad debts provision		450
Provision for discount	300	
Bad debts recovered		150
Visitors ledger	6000	
Expenses		1500
Cash at bank	32400	
Opening stock	3000	
Suppliers balance		9000
Salaries	35000	
Wages	9250	
	340350	340350

Additional information:

- Salary prepaid was ₹1050 while the advertisement expenses which were outstanding amounted to ₹400.
- A purchase invoice of ₹1500 was not recorded in the books.
- Goods worth ₹ 2500 used by the proprietor for personal consumption.
- Cost of staff meals was ₹1000.
- Provide 5% on debtors after writing off ₹500 towards additional bad debts.
- Closing stock was ₹3300.

Prepare Trading Account, Profit & Loss Account for the year ended 31/3/2020

Marks : 10

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