

Vidya Vikas Mandal's  
Shree Damodar College of Commerce & Economics, Margao-Goa  
SY B.Com, Semester-IV Supplementary Examination June 2023  
Accounting for Service Organisation (COC110)  
Truncated Syllabus for 2021 - 2022

**Duration: 2 Hours**

**Max Marks: 80**

**Instructions:**

- Start each question on a fresh page.
- Figures to the right indicate maximum marks.
- Question No 1 is compulsory, answer any 3 Questions from remaining.
- Working notes if any should be a part of the solution.

Q.1 From the following information prepare Profit and Loss Account of Lokmanya Bank for the year ended 31<sup>st</sup> March 2023: **(20 Marks)**

Particulars	Amount (Rs)	Particulars	Amount (Rs)
Interest on Loans	21,000	Interest on overdraft	15,400
Interest on Fixed deposits	31,700	Directors fees	300
Rent Received	820	Miscellaneous expenses	120
Postage and Telegrams	5,400	Interest on saving bank deposits	6,800
Discount on bills discounted	15,500	Telephones expenses	140
Interest on cash credits	22,300	Printing and stationary	290
Lighting	1,800	Sundry charges	170

Additional Information:

- Provide for Contingences Rs 20,000
- Transfer 25% of profit to statutory reserve
- Transfer Rs 2,025 to other Reserves

Q.2 The following particulars relate to ICICI bank Ltd as on 31<sup>st</sup> March 2023 **(20 Marks)**

Particulars	Rs
Paid up capital (Rs 10)	4,00,000
Bills discounted	3,60,000
Fixed deposits	7,00,000
Loans (cr.)	50,000
Cash certificates	50,000
Profit and loss A/c (cr.)	44,000
stamps and stationery	500
Branch adjustment (dr.)	1,500
Reserve fund	1,54,000
Overdrafts and cash credits	5,60,000
Unclaimed dividend	1,000
Branch adjustments (cr.)	1,000
Loans	9,20,000
Current account	6,00,000



Furniture	8,000
Savings A/c	4,00,000
Cash in hand and with RBI	99,500
Tax paid in advance	500
Cash with other banks	2,00,000
Endorsement and acceptances	30,000
Investments (at cost) in shares	1,90,000
Bills for collection being bills receivables	20,000
Money at call and short notice	60,000

**Additional Information:**

- The directors decided to take investments at market value Rs 2, 10,000.
- Advances of Rs 10, 00,000 were made to public sector and Rs. 8, 40,000 to other banks. Secured borrowings Rs 20,000.
- Prepare a bank balance sheet as on 31<sup>st</sup> March 2023 as per Banking Regulation Act.

Q.3 A joint stock company issued 15,00,000 equity shares of Rs10. Each at par. 30% of the issue was reserved for the promoters and the balance was offered to the general public. The entire amount being asked for at the time of applications. P, Q and R agreed to underwrite the public issue in the ratio of 3:1:1 respectively. They agreed to a firm underwriting of 30,000, 20,000 and 10,000 respectively. The underwriting commission was fixed at 2%. The marked applications were as follows: P-5,50,000 shares, Q-2,00,000 shares, R-1,50,000 shares. Unmarked applications excluding firm underwriting shares totalled to 50,000 shares. You are required to:

1. Calculate the liability of underwriters.
2. Calculate the amount received to or paid to each one of the underwriters by the company in settlement. **(20 Marks)**

Q.4 Prepare a Revenue account in respect of Fire Insurance business from the following details of OM General Insurance Co. Ltd. for the year ended 31<sup>st</sup> March 2023: **(20 Marks)**

Particulars	Rs.	Particulars	Rs.
Claims Admitted but not paid	2,20,000	Premium received	12,45,000
Commission Paid	2,10,000	Reserve for unexpired risk	4,70,000
Commission on reinsurance Received	52,000	Additional Reserve	95,000
Printing	50,000	Claims Outstanding	1,02,000
Management Expenses	50,000	Directors fee	32,000
Salary	40,000	Premium Outstanding 1/4/2022	1,40,000
Legal Expenses	60,000	Premium Outstanding 31/3/2023	1,50,000
Advertisement	80,000	Claims Paid	90,000

- The Company Maintains 50% of the Net Premium towards Reserve for unexpired Risk and 10 % as Additional Reserve.

Q.5 From the following details prepare Balance Sheet of West insurance Ltd carrying on Marine insurance business for the year ended 31/03/23 (20 Marks)

Particulars	Amt. (Rs.)
Share capital	15,00,000
Balance of P and L to Balance sheet	(2,64,380)
Unclaimed dividend	2,400
Sundry creditors	12,600
Agents balance (dr.)	1,46,400
Interest accrued but not due	8,200
Due to reinsurance	60,000
Furniture and fixtures at cost Rs 12,600	8,400
Stock of stationery	2,500
Outstanding premium	21,200
Advance income tax paid	62,000
Debtors	9,200
Govt securities	9,20,000
Debentures of public bodies	1,80,000
Shares in limited co	3,60,000
State govt securities	8,80,000
Reserve for unexpired Risk	12,40,000
Cash and bank balance	94,400

#### Additional Information

- Outstanding claims on 31/03/23 were Rs 1, 40, 000
- Depreciation on furniture to be provided @ 20% PA

Q.6 Answer any 4 of the following questions briefly:

(20 Marks)

- Types of Deposits
- Types of Underwriting
- Difference between Marked and Unmarked Applications
- Types of Advances
- Reserve for Unexpired Risk