E 8177 (Pages : 4) Reg. No.....

Name.....

B.Com. DEGREE (C.B.C.S.S.) EXAMINATION, OCTOBER 2019

Fifth Semester

Core Course 14—SPECIAL ACCOUNTING

[Common for Model I, Model II and U.G.C. Sponsored B.Com. Degree Programmes]

(2013—2016 Admissions)

Time : Three Hours Maximum Marks : 80

Part A

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

1. What is meant by CRR ?
2. What is money at call and short notice ?
3. Write a short note on performing assets.
4. What is re-insurance ?
5. What do you mean by reversionary bonus ?
6. Define right shares.
7. What is meant by cum-interest quotation ?
8. What is average clause ?
9. What do you mean by dissolution of a firm ?
10. Define IRDA.

(10 × 1 = 10)

Part B

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

11. What are contingent liabilities in banks ?
12. What is slip system of posting ?
13. Write a short note on different types of life insurance policies.
14. What do you mean by life assurance fund ?

Turn over

15. Define General Insurance.

16. Give a specimen for investment account.

17. Bring out the circumstances of dissolution of firms.

18. Distinguish between cum-interest and ex-interest.

19. Define Bonus Shares.

20. Write a short note on Capital Profits.

21. Goods worth Rs. 2,20,000 of Kiran and Co. were insured for Rs. 1,60,000. Loss due to fire is assessed at Rs. 48,000. There is average clause in the policy. Calculate the claim admissible by the insurance Co.

22. On 1st March 2016 a bill of Rs. 2,00,000 is discounted with a bank @ 8 % per annum. The due date of the bill is 30th April 2016. Pass journal entries regarding rebate on bill discounted accounting year closed on 31st March every year.

(8 × 2 = 16)

Part C

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

23. Bring out the detailed break-up of the schedule 9 of the Balance Sheet of a nationalised bank.

24. Give a short account on financial statements of life insurance company.

25. Explain the various types of loss for claim.

26. Briefly outline the accounting for investments with special reference to equity shares.

27. Explain how will accounts of a firm under dissolution be settled when one of the partners is insolvent.

28. From the following information , calculate the amount of premium to be credited to Revenue a/c :

		Rs.
Premium received during 2015–2016	...	4,20,000
Outstanding Premium 31-3-2016	...	32,000
Premium received in advance 31-3-2016	...	18,000
Outstanding premium on 1-4-2015	...	24,000
Premium received in advance 1-4-2015	...	11,000
Bonus in reduction of premium to be adjusted	...	6,000
Re-insurance premium of the year	...	30,000

29. From the following particulars ascertain the amount of claim to be lodged in case of loss of stock which was insured. Date of fire accident April 25, 2018 :

Stock on 1-1-2018	...	1,25,000
Purchase from 1-1-2018 to the date of fire	...	5,00,000
Wages	...	1,00,000
Manufacturing expenses	...	50,000
Sales from 1-1-2018 to the date of fire	...	7,50,000
Rate of gross profit on sales in 15 %		

30. On 31st March 2010 X Ltd., purchased Rs. 2,00,000, 10% Government securities (face value of Rs. 100 each) at Rs. 95 ex-interest from Y. Half yearly interest is payable. On 30th June and 31st December every year.

Write journal entries in the books of both the parties for its financial year ended 31st December 2010 ignoring income tax.

31. On 31st March 2017, the Life Assurance Fund of Life Long Assurance Company stood at Rs. 1,48,60,000. Its not liability as per actuarial valuation on that date was Rs. 86,00,000. A dividend of Rs. 8,00,000 was payable to the shareholders for the year 2016-17. But an interim bonus of Rs. 4,50,000 was paid to the policyholders during the period ending 31st March 2017.

Prepare statement showing the amount available as bonus to the policyholders.

(6 × 4 = 24)

Part D

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

32. What is Investment Account ? Explain the two methods of keeping an investment account. How such accounts are balanced ?

33. A, B and C were partners sharing Profits and Losses in the ratio 3 : 2 : 1. Their Balance Sheet on 31st December 2014, the date of dissolution was as follows :

Liabilities	Amount Rs.	*Assets*	Amount Rs.
Sundry Creditors	90,000	Fixed Assets	1,05,000
A's loan	15,000	Stock and debtors	37,500
Profit and Loss Account	9,000	Cash in Hand	42,000
A's Capital	55,500	C's Capital	12,000
B's Capital	27,000		
	1,96,500		1,96,500

The firm was dissolved on insolvency of C, whose private estate paid nothing. On dissolution, fixed assets realised Rs. 97,500, stock and debtors realised Rs. 27,000 and creditors were paid Rs. 84,000 in full settlement. Realisation expenses amounted Rs. 2,250 and unrecorded external liabilities paid Rs. 3,750. Close the accounts of the firm applying principles laid down in Garner Vs. Murray.

34. Prepare the Profit and Loss A/c of the Northern Bank Ltd., for 2016 from the following particulars :

		Rs.
Interest on Loan	...	2,59,000
Interest on Fixed deposits	...	2,75,000
Rebate on bills discounted	...	49,000
Commission charged to customers	...	8,200
Establishment	...	54,000
Discount on bills discounted	...	1,95,000
Interest on Cash Credit	...	2,33,000
Interest on Current a/c	...	42,000
Rent and rates	...	18,000
Interest on overdraft	...	54,000
Auditors fees	...	4,200
Interest on Savings Bank a/c	...	68,000
Postage and Telegrams	...	1,400
Printing and Advertisement	...	2,900
Sundry Charges	...	1,700

35. On 1st June 2015 Das Gupta purchased Rs. 9,000 5 % debentures of Rs. 100 each @ Rs. 105 cum-dividend interest being payable on 31st March and 30th September each year. Expenses and stamp charges amounted to Rs. 120. On 1st November 2015 he sold Rs. 3,000 debentures @ Rs. 107 cum-dividend. Brokerage is payable on each transaction @ ½ % on nominal value. Make entries and show the investment account and interest account in the books of Das Gupta as on 31st December 2015.

(2 × 15 = 30)