



SN – 359

-70-

**V Semester B.Com. Examination, November/December 2014
(Semester Scheme) (2014-15 and Onwards) (Freshers)
COMMERCE**

5.5 Elective – I : Advanced Accounting (Paper – I)

Time : 3 Hours

Max. Marks : 100

Instruction : Answers should be completely written either in **Kannada** or
in **English**.

SECTION – A

1. Answer **any ten** sub questions of the followings. **Each** sub questions carries **2** marks. : **(10×2=20)**
- a) How do you treat the followings in bank final accounts ?
 - i) Transfer fees
 - ii) Gold
 - b) What is statutory reserve ?
 - c) Mention types of Insurance.
 - d) What do you mean by Reserve for Unexpired Risk ?
 - e) Give the meaning of Reversionary Bonus.
 - f) What do you mean by inflation accounting ?
 - g) Write two objectives of farm accounting.
 - h) What is cum-interest and ex-interest quotation of securities?
 - i) What is Reinsurance ?
 - j) Give the meaning of Gearing.
 - k) State the two approaches to price level accounting.
 - l) State the two advantages of inflation accounting.

P.T.O.



SECTION – B

Answer **any four** questions. **Each** question carries **8** marks.

(4×8=32)

2. Following bills have been discounted by a bank during year 2013 at 5% p.a.

Date of bill	Amount	Period in months
	₹	
(i) July 27, 2013	1,00,000	4
(ii) Oct. 27, 2013	4,00,000	6
(iii) Dec. 20, 2013	30,000	2

Find out the amount of unexpired discount as on 31st December 2013.

3. Write characteristics of farm accounting.

4. While preparing the final accounts of banking company under which schedule the following appears ?

- | | |
|-------------------------|--------------------------------|
| i) Audit fees | ii) Commission and exchange |
| iii) Law charges | iv) Lockers rent |
| v) Interest on deposits | vi) Silver |
| vii) Non banking assets | viii) Branch adjustments (cr). |

5. From the figures set out below, prepare Revenue Account of Southern India Life Insurance Company for the year ending 31st March 2014 :

	₹
Life Assurance fund as on 1 st April 2013	7,50,000
Premiums	3,72,000
Interest, dividend and rent	2,26,000
Consideration for Annuities granted	12,500
Fines for Revival of Lapsed Policies	200
Claims paid	42,500
Bad debts	400



Expenses of management	35,000
Commission	16,000
Bonus in Reduction of premium	500
Annuities paid	18,500
Surrenders	25,500
Surplus on Revaluation of Reversions purchased	1,500
Income tax paid	32,000
Bonus in cash	18,000

6. Mr. Suresh sold 400 Equity shares of ₹ 10 each at ₹ 12 per share and the brokerage thereon was 2%. He purchased immediately 450 shares of Reliance Co. Ltd. ₹ 10 each and paid brokerage thereon 2%. Ascertain the cash left with him ?

SECTION – C

Answer **any three** questions. **Each** question carries **16** marks.

(3×16=48)

7. From the following balances of National Insurance Company Limited as on 31-3-2014, Prepare

- i) Fire Revenue A/c
- ii) Marine Revenue A/c
- iii) Profit and Loss A/c.

Particulars	Fire	Marine
	₹	₹
Bad debts	10,000	24,000
Reserve (as on 1-4-2013)	5,00,000	16,40,000
Claims paid and outstanding	3,80,000	7,60,000
Commission paid	1,80,000	2,16,000
Additional Reserve (as on 1-4-2013)	1,00,000	—
Premium less reinsurance	12,00,000	2,16,000
Management expenses	2,90,000	8,00,000
Commission on Reinsurance ceded	60,000	1,20,000

