

NAIPUNNYA SCHOOL OF MANAGEMENT
Fifth Semester B Com Commerce with Computer Application
QUESTION BANK
ACCOUNTING FOR SPECIALISED INSTITUTIONS.

SECTION-A

Answer the following questions. (Each question carries 1 mark.)

- 1 Define Insurance?
- 2 What is Double Account System?
- 3 What is Statutory Reserve?
- 4 What are PA and NPA?
- 5 What is Loss Asset?
- 6 What is Clear Profit?
- 7 What is Surrender?
- 8 What is Contingent Liabilities?
- 9 What is Reinsurance?
- 10 What is Money at call and short notice?
- 11 What are Non-banking assets?
- 12 What is slip system of posting?
- 13 What is Local self government?
- 14 Define Government Accounting
- 15 What is Reasonable Return?
- 16 What is Consideration for annuity granted?
- 17 What is Policy and Premium?
- 18 What is commission on re-insurance ceded?
- 19 What is Reserve for Unexpired risk?
- 20 What is Bonus in reduction of premium?
- 21 What is CRR?
- 22 What is Statutory Reserve?
- 23 Define Banking?
- 24 What is Backwardation?
- 25 What is Single Account System?

SECTION—B

Answer the following questions. (Each question carries 2 marks.)

26. What is Rebate on bill discount?
27. What is Policy, Premium and Claim?
28. Write the treatment of Bonus in reduction of premium in revenue account?
29. What is Capital Base? How is it calculated?
30. How to make income recognition by Banks?
31. Write the features of Double Account System?
32. Who is an Actuary?
33. What is the source of income of Municipality?
34. Distinguish Single Account System from Double Account System?
35. What are the different books of accounts maintained by Brokers?
36. What is Commission on Reinsurance accepted?
37. Give the format of Banks Profit and Loss Account?
38. What is Valuation Balance Sheet and give a specimen of it?
39. Clearly show the details of Advances as per the schedule of Bank?
40. What are the types of Life Policies?
41. What are the objectives of Government Accounting?
42. Explain the functioning of treasury system?
43. Distinguish between Government Accounting and Commercial Accounting?

SECTION-C

Answer the following Questions. (Each question Carries 4 marks.)

44. What are the rules in connection with disposal of surplus in Electricity Companies?
45. Draw a specimen format of Banks Balance sheet
46. On 31 March 2014 the Life Fund of a company stood at Rs.15850000/- Its net liability as on that date was Rs.9200000/-An interim bonus of Rs.555000/- is paid to the policy holders during the year 2013- 2014.
Calculate the amount now available to policy holders.
47. Calculate Reasonable Return from the following

Loan from KSEB	Rs. 4000000/-
Capital Base of the company	Rs. 8000000/-

Development Reserve	Rs. 3000000/-
12% Debenture	Rs. 7000000/-
Income from Reserve Fund Investment	Rs. 100000/-
RBI rate	9%

48. From the following information, calculate the amount of premium to be credited to Revenue Account

Premium received during the year 2014 Rs. 4200000/-

Outstanding premium on 31-03-2014 Rs. 320000/-

Premium received in advance on 31-03-2014 Rs. 180000/-

Outstanding premium on 01-04-2013 Rs. 240000/-

Premium received in advance on 01-04-2013 Rs. 110000/-

Bonus in reduction of premium to be adjusted Rs. 60000/-

Re insurance premium of the year Rs. 300000/-

49. From the following information taken from the books of Star Life Insurance Company, Prepare its profit and loss account for the year 31 march 2014

Surplus as per Revenue Account for the year	Rs. 2650000/-
Interest on general investment	Rs. 120000/-
General Administration expense	Rs. 75000/-
Loss On re valuation of general Investment	Rs. 15000/-
Maintain Provision for Income Tax from profit of the year	50%
Directors propose a final dividend of 10% on its paid up capital	Rs. 2000000/-
Fund to be transferred for the future appropriations	Rs. 100000/-

50 Calculate Rebate on Bills Discounted as on 31st March 2014.

Bill Date	Amount	Period of Bill	Rate of Discount.
20-01-2014	80000	5 months	16%
10-02-2014	40000	4 months	18%
15-03-2014	60000	2 months	15%

51. An electricity company has a Clear Profit of Rs.1200000 for the year 31st March 2014. Other Information's are;

Capital Base of the Company	Rs. 7000000/-
Loan from Electricity Board	Rs. 5000000/-
Development Reserve	Rs. 2000000/-
12% Debentures	Rs. 7000000/-
Income from reserve fund investment	Rs. 300000/-

RBI Rate	8%.
----------	-----

Calculate Reasonable Return and prepare statement of Disposal of Surplus.

SECTION-D

Answer the following Questions. (Each question Carries 15 marks.)

52. What is Government Accounting? What are the Principles and objectives of Government Accounting?

53. Explain Panchayat System and also write the power and duties of Grama Panchayat.

54. Explain the Rights, Duties and Power of Comptroller and Auditor General of India.

55. What is capital Base? How is it calculated? What are the rules in connection with disposal of surplus in an electricity company?

56. What is Stock Exchange? Write the features and functions of Stock Exchange?