

6.8.20

Specialised Accounts

B. Com Part II

Chapter Banking Company

Numerical Exercise. (5) S.K.S.

Question

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Prepare Profit & Loss Account of a Banking Company for the year ended 31 March 2016 from the following information.

Interest on loan -	5,18,000	Repair & Maintenance	4,000
Int on fixed deposit -	5,50,000	Insurance	20,000
Rebate on Bills Discd -	98,000	Provisioning	5,000
Commission charged to customers -	16,400	Profit brough forwarded	50,000
Establishment	1,08,000	Transfer to Statutory Reserve	1,00,000
Discount on Bills Discd	3,90,000	Transfer to general Reserve	1,50,000
Int on Cash credit -	4,46,000	Proposed Dividend	1,50,000
Int on current AC -	84,000		
Rent & Taxes -	36,000		
Interest on overdraft -	1,08,000		
Directors fees -	6,400		
Audit fees -	2,000		
Int on Saving Bank Deposit -	1,36,000		
Postage & telegrams -	2,800		
Printing & Stationery -	3,800		
Advertisement -	2,000		
Sundry charge -	8,400		
Depreciation	16,000		
Loss charge -	1,000		

Ans.

Profit & Loss Account.
for ended year 31 March 2016

		Schedule	Current Year
		No.	
I	Income:		
	Interest earned	13	15 60 000
	Other Income -	14	16 400
			<u>15 76 400</u>
II	Expenditure -		
	Interest expended	15	7 70 000
	Operating Expenses -	16	2 05 400
	Provision & Contingency -		50 000
			<u>9 80 400</u>
III	Profit & Loss -		
	Net Profit:		5 96 000
	1 - "		50 000
	Balance b/d -		<u>6 46 000</u>
IV	Appropriations -		
	Transfer to Statutory Reserve		1 00 000
	Transfer to general Reser.		1 50 000
	Proposed dividend -		1 50 000
	Balance c/d transfer to B/S -		2 46 000
			<u>6 46 000</u>

Schedule 13

		Current year 31.3.16	Previous year 31.3.15
I	Grant in loan	518 000	
II	Discount on Bills Discounted 390 000 + 98 000	4 88 000	
III	Grant on Grant on Cash credit.	4 46 000	
IV	Grant on overdraft.	1 08 000	
		<u>15 60 000</u>	

Schedule 14

	Current year 31.3.16	Previous year 31.3.15
I	Commission charged	16 400
	<u>16 400</u>	

Schedule 15

	31.3.16 Current year	31.3.15 Previous year
I	Grant in fixed deposit	5 50 000
	Grant in current deposit	84 000
	Grant in saving deposit	1 36 000
	<u>7 70 000</u>	

Schedule 16

	31.3.16 Current year	31.3.15 Previous year
I	Establishment	1 08 000
II	Rent & tax.	36 000
III	Director fees & allowances.	6 400
IV	Audit fees	2 000
V	Postage & telegrams.	2 800
VI	Printing & Stationery.	3 800
VII	Advertisements.	2 000
VIII	Sundry Expenses.	3 400
	<u>1 64 200</u>	

X	Depreciation	10000
XI	Law charge -	1000
XII	Repairs & maintenance	4000
XIII	Insurance -	20000
		<hr/>
		26400
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