Rayat Shikshan Sanstha's

Annasaheb Awate College, Manchar, Pune

Commerce Department

Class :- T. Y. B. COM. **Subject :-** Advanced Accounting

Topic :- Final Accounts of Banking Companies **Subject Teacher :-** Dr. Ughade S. S.

Problem The following is the Trial Balance of Om Bank Ltd. Mumbai as on 31st March, 2020.

Trial Balance as on 31st March, 2020

Particulars	**Debit ₹**	**Credit ₹**
Subscribed Capital : 50,000 Equity Shares of ₹ 10 each fully paid		5,00,000
Reserve Fund		2,50,000
Loans, Cash Credit and Overdrafts	2,85,000	
Premises	50,000	
India Govt. Securities	4,00,000	
Current Deposit		1,00,000
Fixed Deposit		1,25,000
Saving Bank Deposit		1,50,000
Salaries	28,000	
General Expenses	27,400	
Rent, Rates and Taxes	2,300	
Director's Fees	1,800	
Profit and Loss A/c on 1-4-2019		16,000
Interest and Discount		1,28,000
Stock in Stationery	8,500	
Bill Purchased and Discounted	46,000	
Interim dividend paid	17,000	
Recurring deposits		20,000
Shares	1,50,000	
Cash in Hand and with RBI	1,93,000	
Money at Call and Short Notice	80,000	
Total	**12,89,000**	**12,89,000**

The following information should be considered :

1) Market value of Indian Govt. Securities was ₹ 3,90,000.

2) ₹ 10,000 were added to the premises during the year. Depreciation @ 5% on the opening balance is required.

3) Provision for bad and doubtful debts is required to be made at ₹ 5,000.

4) Interest accrued on investments was ₹ 8,000.

5) Unexpired discount (Rebate on bills discounted) amounted to ₹ 380.

6) Interim dividend declared was 4% actual.

7) Endorsements made on behalf of customers totaled ₹ 1,15,000.

8) Authorized capital was 80,000 Equity Shares of ₹ 10 each.

Prepare Profit and Loss Account for the year ending 31st March 2020 and Balance Sheet as at that date in the prescribed form.