Rayat Shikshan Sanstha's

Annasaheb Awate College, Manchar, Pune

Commerce Department 2021 - 2022

Class :- T. Y. B. COM.(Sem. V) **Subject :-** Advanced Accounting - I

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

Problem No. 4

Following is the trial balance of Raj Bank Ltd. Nashik as on 31st March, 2021. You are required to prepare Profit and Loss Account for the year ended 31st March, 2021 and Balance Sheet as on that date.

Trial Balance as on 31st March, 2021

Particulars	Debit Rs.	Credit Rs.
Share Capital		
30,000 Equity shares of Rs. 100 each, Rs. 50 paid up		15,00,000
Profit and Loss Account (1st April, 2020)		1,22,250
Current Deposit Account		32,16,500
Fixed Deposit Account		35,14,000
Saving Bank Account		16,60,500
Directors Fees	13,950	
Audit Fees	13,200	
Furniture	1,28,850	
Interest Paid	6,00,600	
Interest and Discount		10,56,000
Commission and Exchange		3,04,500
6% Government Bonds	15,60,000	
Shares in Companies	12,00,000	
Branch Adjustment Account	3,06,000	
Postage and Printing	10,350	
Premises	25,54,500	
Salaries	1,00,500	
Law Charges	7,950	
Provided Fund Contribution	16,800	

Cash in Hand	3,10,500	
Bills Purchased and Discounted	1,00,500	
Unexpired Insurance	4,050	
Statutory Reserve Fund		1,27,500
Loans, Cash Credit and Overdrafts	45,73,500	
	1,15,01,250	**1,15,01,250**

Adjustment :

1) Rebate on bills discounted amounted to Rs. 10,650.

2) Provide Rs. 57,750 for doubtful debts.

3) The bank has accepted bills worth Rs. 3,75,000 on behalf of the customers against the securities of Rs. 4,65,000 lodged with the bank.

4) Provide depreciation on premises Rs. 1,09,500 and on furniture Rs. 8,850.

5) Provide for Taxation Rs. 11,250.

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