

NAME: SALAU BLESSING

OMOLAA

MATRIC NO: 17/SMS 02/058.

1A

## NUASA BANK

1a Statement of other Comprehensive Income for the year ended 31st  
December, 2019

	₹
Profit for the year	77,099,900
Other Comprehensive Income not to be reclassified to the Profit or loss in subsequent years:	
Actuarial gain	655,769
Income relating to actuarial gain (25% x 655,769)	(163,942)
	77,591,727
foreign currency translated different from foreign operation	1,039,643
Currency translation (25% x 1,039,643)	(259,911)
	779,732
	78,371,459
Net Change in fair value available for sale	4,080,429
Assets (Income Tax) (25% x 4,080,429)	(1,020,107)
	81,431,781

2A

Statement of financial Position of NUASA Bank for the year  
ended 31st December, 2017

Assets	₹
Cash and cash equivalents	6,437,403
Financial Assets	57,903,833
Trade Receivables	123,848
Re-insurance assets	2,479,069
Deferred acquisition cost	264,842
Other receivables & prepayments	283,805
Deferred tax asset	1,107,077
Investment in subsidiary	2,308,690

Investment property		1,115,000
Goodwill and other intangible assets		1,120,871
Property and equipment		5,111,828
Statutory deposit		<u>530,000</u>
Total Asset		<u>79,385,266</u>

### Liability

Finance lease obligation	49,854	
Borrowing	1,134,840	
Derivative liabilities	319,274	
Insurance contract liabilities	55,379,977	
Investment contract liabilities	8,295,016	
Current tax payable	518,443	
Deferred tax liability	263,422	
Trade payables	1,547,548	
Other payables and accruals	<u>2,133,087</u>	69,940,491

### Equity

Issued share capital	3,465,102	
Share premium	2,824,389	
Revaluation reserves	1,221,707	
Available-for-sale reserve	(2,723,536)	
Exchange gain reserve	148,521	
Contingency reserve	3,482,076	
Retained Earnings	<u>1,026,516</u>	9,447,770
		<u>79,385,266</u>

3A

<p>3a. <u>Originating Time Difference</u> is the type of timing difference that occurs for the first time in a situation.</p>	<p><u>Reversing time Differences</u> While reversing time differences is the type that reverse the originating time differences from previous accounting period.</p>
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Current tax

Current tax is the amount of income tax payable or recovered by entity due to its taxable profit or loss for the accounting period.

Deferred tax

While deferred tax is the amount rather than the tax imposed by the government, it is recoverable in future accounting period.

3B

b. It is important for companies to compute and account for deferred taxes because paying in advance can aid a company looking to decrease their tax liability in the future. Deferred taxes usually result in a liability being recognised within the statement of financial position.

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# JAYTEE LIMITED

C. Debiture

Debiture Receivables		#
	#	16,625
Profit or loss	17,500	Bank
		Withholding Tax
	<u>17,500</u>	<u>17,500</u>

Debiture Interest		#
Bank	17,860	Profit or loss
Withholding Tax	940	
	<u>18,800</u>	<u>18,800</u>

Withholding Tax		#
Debiture Receivables	875	Debiture interest
Bank	<u>65</u>	<u>940</u>
	<u>940</u>	

Bank		#
Debiture Receivables	16,625	Debiture interest
		Withholding Tax
		Current Tax
		<u>17,860</u>
		65
		<u>35,000</u>

	Current Tax		Tax
	₹		₹
Bank	35,000	Bal b/d	65,500
Bal c/d	<u>65,000</u>	Profit or loss	<u>34,500</u>
	<u>100,000</u>		<u>100,000</u>

	Defered Tax		₹
	₹		₹
Bal c/d	16,760	Bal b/d	15,900
	<u>16,760</u>	Profit or loss	<u>960</u>
			<u>16,760</u>

Statement of Profit or Loss		₹	₹
Net Profit		470,500	<del>470,500</del>
Interest Income		17,500	17,500
Interest Paid		<u>(19,900)</u>	<u>17,500</u>
		<u>469,200</u>	₹
<del>Capital</del> Capital allowance	39,700		
Depreciation	<u>(35,500)</u>	<u>3,200</u>	(Timing difference)
₹.			

$$\text{Defered Tax} = 30\% \times 3,200 = 960$$

# ~~NUASA INSURANCE~~

~~2A~~  
~~Statement of Financial Position as at 31st December 2017~~

~~Assets~~

~~cash or~~

1B

## NUASA BANK

Statement of Financial Position of Nuasa Bank for the year ended  
 31st December, 2017.

	R	K
Cash and Bank balances		455,296,196
Derivative Financial Assets		2,234,078
Available for Sale Assets		459,089,625
Assets Held to Maturity		2,007,253
Assets pledged as collateral		58,161,722
Restricted deposits and other Assets		435,528,669
Investment in Subsidiaries		46,207,007
Property and Equipment		84,973,798
Intangible Assets		4,501,296
Financial Assets held for trading		16,625,356
Assets Classified as held for sale		950,830
<b>Total Assets</b>		<b>1,559,324,817</b>
<b>Liabilities</b>		<b>24,009,770</b>
Current Income Tax Liabilities		92,101,923
Debt Securities Issued		2,647,461
Financial liabilities held for trading		49,780
Loans and advances to banks		1,265,971,688
Loans and advances to customers		2,606,524
Derivative Financial Liabilities		203,019,404
Other Liabilities		210,671,387
Other borrowed funds		

### Question four

4a.

i Dividend Pay-out Ratio

Loans and advances to customers  
 Loans and advances to employees  
 Derivative Financial liabilities  
 Other liabilities  
 other borrowed funds

1,200,000  
 = 2,600,000  
 2,000,000  
 210,000,000

### Question Four

4a.

i. Dividend Pay-out Ratio

ii. Earnings Yield

$$= \frac{\text{EPS} \times 100}{\text{MPS}}$$

Might Furg

$$= \frac{0.472 \times 100}{3.25} = 14.5\%$$

Light Furg

$$= \frac{0.193 \times 100}{2.55} = 19.5\%$$

iii. Gearing ratio

Debt  
Equity

Might Furg

$$\begin{aligned}
 &= \frac{26,000,000 + 69,670,000}{390,275,500} \\
 &= \frac{95,670,000}{390,275,500} \\
 &= 0.25
 \end{aligned}$$

Light Furg

$$\begin{aligned}
 &= \frac{27,200,000 + 30,650,000}{527,250,000} \\
 &= \frac{57,850,000}{527,250,000} \\
 &= 0.11
 \end{aligned}$$

Both companies are likely geared