

NAME : SHITU THAYE FARIDA

MATRIC No : 17/sms02/060.

Question 1.a

Number 1000

Statements of profit or loss & other Comprehensive Income
for the year ended 31st Dec 2019.

Interest Income	185,000,000
Interest expenses	(58,000,000)
Net Interest Income	127,000,000
Loan Impairment changes	(2,880,000)
	124,120,000
Fee & Commission Income	46,651,900
Fee & Commission expenses	(1,800,000)
	168,974,900
Net gains on financial instrument	2,690,000
Other Income	39,800,000
	180,664,900
Net Impairment changes	(150,000)
Personnel Expenses	(23,700,000)
General & Admin Expenses	(22,500,000)
operating lease expenses	(807,000)
Depreciation & Amortisation	(12,115,000)
Other operating expenses	(27,273,000)
profit before tax	94,099,900
Income tax expenses	(17,000,000)
profit for the year	<u>77,099,900</u>

Statement of other Comprehensive Income for the year ended

31st Dec 2019	₹	₹
profit for the year		77,099,900
Other comprehensive income to be re-classified to P/L in subsequent years:		
Actuarial Gain	655,269	
	<u>(163,942)</u>	491,827
Foreign currency translation differences for foreign operations	9,039,643	
Income Tax (25%)	<u>(259,911)</u>	779,732
Net change in fair value available for sale financial assets		
Income Tax (25%)	<u>(1,020,107)</u>	3,060,322
Total comprehensive income for the year		<u>18,431,781</u>

Question 2 twoNURSA Insurance PLCStatement of financial position as at 31st Dec 2017

<u>Assets</u>	
Cash and cash equivalents	6,437,403
Financial assets	52,903,833
Trade Receivable	123,848
Reinsurance assets	2,479,069
Deferred Acquisition cost	264,842
receivables and prepayments	284,805
Deferred Tax assets	1,707,077
Investment in subsidiaries	2,308,690
Investment in property and other intangible assets	1,115,000
Goodwill and other intangible asset	1,120,871
Property and Equipment	5,111,828
Statutory deposit property & Equipment	530,000
Statutory deposit	79,385,266

<u>Liabilities</u>	
Finance lease obligation	49,854
Borrowing	1,134,840
Derivative liability	319,274
Insurance contract liability	55,379,977
Investment contract liability	8,295,046
Current Tax payable	518,443
Deferred tax liability	263,421
Trade payables	1,547,548
Other payable and accruals	2,432,087
	69,942,491

Equity		
Fixed Share Capital		3,465,102
Share premium		2,874,189
Reserve reserves		1,221,707
Available for sale reserve		(2,723,576)
Exchange gains reserve		10,521
Contingency reserve		3,482,076
Retained earnings		1,021,516
		<u>9,401,725</u>
		<u>79,385,266</u>

2b) Statement of Profit or Loss for the financial year

Gross premium written	32,409,176
Reinsurance expense	(3,661,162)
Net premium income	28,748,014
Commission income	
Insurance contract	706,069
Pension & other contract	1,355,846
Net underwriting income	<u>3,289,229</u>
Claims expense	
Gross claim expense	13,025,457
Claim expense re-acted from reinsurers	(2,772,750)
Net claim expense	<u>10,252,707</u>
Underwriting exp	42,416,428
Underwriting profit	<u>2,647,701</u>
Investment income	5,717,056
Net for value to net realized gain	<u>7,163,227</u>
Other operating expense net for value to loss	(48,000)
Financial net other operating expense	569,965
Financial net	<u>3,239,353</u>

Equity and Reserves	M
Retained Earnings	109,594,239
other components of equity	330,795,837
Share Capital	14,715,590
Share premium	<u>123,471,114</u>
Total	<u><u>578,576,780</u></u>

(3.0) Originating and Reversing Timing Differences.

originating timing differences: These are timing differences that occur for the first time.

reversing timing differences: These are timing differences that reverse that originating timing differences from the previous periods.

(ii) Current tax and deferred tax.

Current tax: This is the amount of tax payable by an entity from its taxable profit or loss in a period.

deferred tax: This represents the tax payable in future periods in relation to transactions that have taken place.

(b) Deferred tax will translate actual liability in future periods. Ignoring deferred tax will lead to the reported profit in a period to be interpreted.

JAYTEE Ltd

Debit		Credit		Debit		Credit	
	₹		₹		₹		₹
Pa 1	17,500	bank	16,625	bank	17,960	Pa 1	18,400
		LWT	875	LWT	940		
	<u>17,500</u>		<u>17,500</u>		<u>18,800</u>		<u>18,800</u>

Withholding Tax		Bank	
	₹		₹
Debit	975	Debit	16,625
bank	65	Debit	17,960
	<u>940</u>	credit	3,500

	Current Tax	
	Dr	To
Bank	35,000	bal b/d 65,500
	65,000	34,500
	<u>100,000</u>	<u>100,000</u>

	Deferred Tax	
	Dr	To
bal c/d	16,760	bal b/d 15,000
		provision 960
	<u>16,760</u>	<u>16,760</u>

Statement of Profit or Loss

net profit	47,500
Interest Income	17,500
Interest paid	(14,800)
	<u>46,200</u>
Capital gain	38,700
Depreciation	(35,500)
Timing diff	<u>3,200</u>

Deferred tax

$$230\% \times 3200 = 960$$