

Marks: 80	PRELIMINARY EXAM - 2 SYJC SOLUTION Subject: Book keeping & Accountancy	Time: 3 Hrs.
-----------	---	--------------

Q.1. Attempt any three of the following sub-questions: (5)

A) Answer the following questions in 'one' sentences each:

1) What is "trail balance"?

Ans. Trial Balance is a list of all debit and credit balances of ledger accounts.

2) What is "Entrance fees"?

Ans. Entrance fees is the fees paid by the person who intends to become members of 'not for profit concern'

3) What is "Qualified acceptance"?

Ans. Qualified acceptance is a type of acceptance in which drawee makes changes in the conditions mentioned in the bill.

4) How is gain ratio required to be calculated?

Ans. Gain ratio is required to be calculated in case of retirement of partner, when good will is raised equal to share of retiring partner and written off.

5) What is the formula for calculating gross profit ratio?

Ans. Gross Profit Ratio $\frac{\text{Gross Profit}}{\text{Net Sales}} \times 100$

B) Write/ a word/ term/ phrase which can substitute each of the following statement: (5)

1) The debit balance of trading account **Gross Loss**

2) The excess of total assets over total liabilities of a 'not for profit concern' **Capital fund.**

3) Expenses incurred on dissolution of partnership firm **Realisation expenses**

4) Transfer of title of a bill from a debtor to a creditor **Endorsement of bill of exchange**

5) The statement showing profitability of two different periods and its percentage change **Comparative Income statement**

C) Select the most appropriate answer from the alternative given below and rewrite the statement: (5)

1) The gross profit is transferred to **Profit and loss** account.

a) Trading A/c b) P/L A/c c) Balance sheet d) Asset

2) A, B and C are partners sharing profit in the ratio of 5:3:2. If B retires, then the new ratio will be **5:2**

a) 5:3 b) 5:2 c) 3:2 d) 2:1

3) If shares are issued at their face value, it is called as issued at **Par**

a) Premium b) Discount c) par d) Loss

J.K.SHAH CLASSES

- 4) The bill drawn on 12th June 2013 at two months would be payable on **14th Aug, 2013**
- a) 15th Aug, 2013 b) 16th Aug,2013
c) 14th Aug,2013 d) 17th Aug 2013.
- 5) From financial statement analysis, the creditors are interested to know **Liquidity**.
- a) Liquidity b) Stability
c) Profitability d) Under stability

D) State whether the following statements are True or False. (5)

- 1) Closing stock is always valued at market price.
Ans. False
- 2) Retirement of bill means payment of the bill before due date.
Ans. True
- 3) Share forfeited balance is transferred to capital reserve Account.
Ans. True
- 4) Gross profit depends upon net sales.
Ans. True
- 5) The inland bill which is drawn and payable in the same country.
Ans. True

E) Prepare a specimen of bill of exchange from the following information: (5)

Shri Arjun patil, 104, Shivaji Nagar, Ambajogai draws a two months bill on Shri Tukaram Magdum, Daulat Road, Halkarni, Kolhapur payable to shri Ranveer patil, Mondha, Parali vaijanath on 23rd August 2013 for Rs.7,550.
Shri Tukaram Magdum accepted it on 26th August, 2013 for Rs.7,500 only.

Ans.

Bill of Exchange	
Stamp	Shri Arjun Patil 104, Shivaji Nagar, Ambajogai. 23 rd August 2013
₹ 7,550 = 00	
Two months after the date, pay to Shri Ranveer Patil, Mondha, Parali — Vaijanath or his order the sum of Rupees Seven Thousand Five Hundred and Fifty only for the value received.	
	Sd / Shri Arjun Patil
To, Shri Tukaram Magdum, Daulat Road, Halkarni, Kolhapur.	"Accepted for ₹ 7500 only" Sd/ Shri Tukaram Magdum 26 th August, 2013

J.K.SHAH CLASSES

Q.2. Mrs. Meena of Bilaspur has not kept proper books of accounts, following information is provided to you: (8)

Particulars	31-3-2012 (Rs.)	31-3-2013 (Rs.)
Machinery	50,000	50,000
Furniture	50,000	30,000
Debtors	18,000	25,000
Creditors	18,000	20,000
Stock	30,000	42,000
Outstanding expenses	1,500	-
Prepaid expenses	-	500
Cash at bank	28,000	40,000

Further information:

- Mrs. Meena introduced additional capital as on 1st October, 2012 by selling her personal car is Rs. 10,000.
- She paid her daughter's college fees from business bank account Rs.3,000.
- Depreciate machinery by 5% p.a.
- Provide 2% on debtors for bad and doubtful debts.
- Interest on capital is to be provided @5% p.a and on drawings @5% p.a.

Prepare: opening and closing statement of affairs and statement of profit or loss for the year ended 31st March, 2013.

Ans.

In the Books of Mrs. Meena Opening Statement of Affairs as on 01.04.2012			
Liabilities	Amt. ₹	Assets	Amt. ₹
Creditors	18,000	Machinery	50,000
Outstanding Expenses	1,500	Furniture	50,000
Capital (Balancing figure)	1,56,500	Debtors	18,000
		Stock	30,000
		Cash at Bank	28,000
	1,76,000		1,76,000

Closing Statement of Affairs as on 31.03.2013			
Liabilities	Amt. ₹	Assets	Amt. ₹
Creditors	20,000	Machinery	50,000
Capital (Balancing figure)	1,67,500	Furniture	30,000
		Debtors	25,000
		Stock	42,000
		Pre-paid Expenses	500
		Cash at Bank	40,000
	1,87,500		1,87,500

Statement of Profit or Loss of Mrs. Meena for the year ended 31.03.2013		
Particulars	Amount (₹)	Amount (₹)
Capital at the end of the year		1,67,500
Add : Drawings during the year	3,000	
Interest on drawings	75	3,000
		1,70,500
Less : Capital at the beginning of the year	1,56,500	
Additional capital introduced	10,000	
Interest on capital (7825 + 250)	8,075	1,66,500
Profit before adjustment		1,70,500
Less : Depreciation on Machinery	2,500	4,000
Reserve for Bad and Doubtful Debts	500	4,000
Interest on Capital		1,1075
Loss for the year	8,075	7,000

OR

Q.2.

(A) What are the components of 'Current Ratio'?

Ans. Meaning: Current ratio is a ratio showing the relationship between current assets and current liabilities.

Formula : Current ratio is calculated as per the following formula:

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

- (1) **Current Liabilities Components of Current Ratio** : The following are the components of Current Ratio. Current Assets : Cash and Bank balance, debtors, bills receivable, stock of goods, pre-paid expenses, short term loans, advances given, incomes receivable, disposable investment etc.
- (2) **Current Liabilities** : Bank overdraft, creditors, bills payable, outstanding expresses, short term loan taken, provision for taxation, pre-received income, proposed and unclaimed dividend etc.

(B) What are the different cash inflows and cash outflows of investing activities?

Ans. Meaning of Investing Activities : Investing activities are related to purchase and sale of fixed assets such as machinery, furniture, building, computer etc. It excludes operating and financing activities.**Examples of cash inflow from investing activities :**

1. Cash receipts from sale of fixed assets including intangible assets.
2. Sale of shares and other investments.
3. Interest / Dividend received on investments.

Examples of cash outflow from investing activities :

1. Purchase of fixed assets.
2. Cash payments for purchase of shares and other investments.
3. Payment of brokerage, commission etc. for buying fixed assets and investments.

Q.3. Given below is the balance sheet of Vaishali, Madhuri and Shobha, who were sharing profit and losses in the ratio of 3:3:2. (10)**Balance sheet as on 31st March, 2012**

Liabilities	Rs.	Assets	Rs.
Creditors	34,800	Cash	21,600
Bills payable	8,800	Machinery	34,800
Capital A/c		Debtors	50,000
Vaishali	48,000	Stock	25,200
Madhuri	52,000	Furniture	16,000
Shobha	36,000	buildings	48,000
Reserve fund	16,000		
	1,95,600		1,95,600

On 1st April, 2012 Shobha retired from the firm on the following terms:

- 1) Assets be revalued as under:
Stock Rs.24,000, Machinery Rs.32,000, Furniture Rs.16,800.
- 2) R.D.D. be maintained at 4% on debtors.
- 3) An item of Rs.400 from creditors is no longer a liability and hence should be properly adjusted.
- 4) The amount due to Shobha be transferred to her loan account.
- 5) Pass necessary journal entries in the books of the firm.

Ans.

**In the books of the firm
Journal Entries**

Date	Particulars	L.F.	Debit ₹	Credit ₹
01.04.2012				
(1)	Reserve Fund A/cDr. To Vaishali's Capital A/c To Madhuri's Capital A/c To Shobha's Capital A/c (Being Reserve fund distributed.)		16,000	6,000 6,000 4,000
(2)	Revaluation A/cDr. To Stock A/c To Machinery A/c To R.D.D. A/c (Being reduction in the value of stock and machinery and R.D.D. provided.)		6,000	1,200 2,800 2,000
(3)	Furniture A/cDr. Creditors A/cDr. To Revaluation A/c (Being appreciation of furniture and reduction of creditors)		800 400	1,200
(4)	Vaishali's Capital A/cDr. Madhuri's Capital A/cDr. Shobha's Capital A/cDr. To Revaluation A/c (Being revaluation loss distributed.)		1,800 1,800 1,200	4,800
(5)	Shobha's Capital A/cDr. To Shobha's Loan A/c (Being amount due to partner transferred to her Loan A/c.)		38,800	38,800
	Total (₹)		66,800	66,800

OR

Q.3. Supriya, Surekha and Sujata were partner sharing profit and losses in the ratio of 2:2:1 respectively. Their balance as on 31st March, 2012 was as follows.

Balance sheet as on 31st March, 2012

Liabilities	Rs.	Assets	Rs.
Capital A/c		Land and building	50,000
Supriya	40,000	Stock	30,000
Surekha	40,000	Debtors	37,500
Sujata	20,000	Less: R.D.D.	<u>(2,500)</u>
Reserve fund	10,000	Furniture	10,000
Creditors	16,000	Cash at bank	5,000
Outstanding exp.	4,000		
	1,30,000		1,30,000

Sujata died on 1st July, 2012 and the adjustments were agreed to as per the deed as follows:

- (1) Land and building to be valued at Rs.60, 000 and all debtors were good.
- (2) Stock to be depreciated by 10%
- (3) The drawings of sujata upto the date of her death amounted to Rs.2,000.
- (4) Interest on capital was to be allowed at 10% p.a
- (5) The deceased partner's share of goodwill is to be valued at 2 year's purchase of average profit of last 3 years.

The profit were: 2010-11=Rs.17,000
2011-12=Rs.13,000

- (6) The deceased partner's share of profit upto the date of her death should be based on average profit of the last two years.

You are required to prepare:

- (a) P/L Adjustment A/c
- (b) Sujata's capital A/c showing the balance payable to her executors loan A/c
- (c) Working notes for calculation of
 - (i) Goodwill and
 - (ii) Profit till the date of sujata's death.

Ans.

In the books of the firm					
(a) Profit and Loss Adjustment A/c					
Dr.					Cr.
Particulars	Amt. ₹	Amt. ₹	Particulars	Amt. ₹	Amt. ₹
To Stock A/c		3,000	By Land and Building A/c		10,000
To Revaluation Profit :			By R.D.D. A/c		2,500
Supriya Capital A/c	3,800				
Surekha Capital A/c	3,800				
Sujata Capital A/c	1,900	9,500			
		12,500			12,500

(b) Sujata's Capital A/c			
Dr.			Cr.
Particulars	Amt. ₹	Particulars	Amt. ₹
To Drawings A/c	2,000	By Balance b/d	20,000
To Sujata's Executor's Loan A/c	29,150	By Reserve Fund A/c	2,000
		By P/L Adjustment A/c	1,900
		By Interest on Capital A/c	500
		By Goodwill A/c	6,000
		By P/L Suspense A/c	750
	31,150		31,150

(c) (a) Calculation of Goodwill :

(i) Average Profit = $\frac{\text{Total Profit}}{\text{No. of years}} = \frac{15,000 + 17,000 + 13,000}{4} = \frac{45,000}{3} = 15,000$

(ii) Goodwill of the firm = Average Profit × No. of years purchase
= 15,000 × 2 = ₹ 30,000

(iii) Share of Goodwill to Sujata = Goodwill of the firm × Profit Sharing Ratio
= 30,000 × $\frac{1}{5}$ = ₹ 6,000

(b) Calculation of share of Profit to Sujata :

(i) Average Profit = $\frac{\text{Total Profit}}{\text{No. of years}} = \frac{17,000 + 13,000}{2} = \frac{30,000}{2} = ₹ 15,000$

(ii) Share of Profit to Sujata = Average Profit × Profit Sharing Ratio × Period
= 15,000 × $\frac{1}{5}$ × $\frac{3}{12}$ = ₹ 750

Q.4. Journalize the following transaction in the books of jaydeep. (10)

- A) Arvind renews his acceptance of jaydeep of Rs. 7,000 with interest Rs.500 for two months.
- B) Bank informed Jaydeep that Mahadev's acceptance of Rs.4,000 which has discounted and dishonoured. Bank charged nothing charges Rs.80.
- c) Hanumant informed Jaydeep that Kazi's acceptance for Rs.7,000 endorsed to Hanumant has been dishonored, nothing charges Rs.85.
- D) Data honoured his acceptance of Rs.4,900, which was sent to bank for collection. Bank debited Rs.100 for bank charges.
- E) Radhika retired her acceptance to Jaydeep of Rs.9, 000 paying Rs.8, 700.

Journal of Jaydeep

Date	Particulars	L.F.	Debit ₹	Credit ₹
(A) (1)	Arvind A/c Dr. To Bills Receivable A/c (Being cancellation of old bill)		7,000	7,000
(2)	Arvind A/c Dr. To Interest A/c (Being interest receivable)		500	500
(3)	Bill Receivable A/c Dr. To Arvind A/c (Being new acceptance received on account of renewal)		7,500	7,500
(B)	Mahadev A/c Dr. To Bank A/c (Being discounted bill dishonored and noting charges paid by bank)		4,080	4,080
(C)	Kazi A/c Dr. To Hanumant A/c (Being endorsed bil dishonored and noting charges paid by Hanumant)		7,085	7,085
(D) (1)	Bank A/c Dr. To Bill sent to bank for collection (Being bill sent to bank for collection honoured)		4,900	4,900
(2)	Bank Charges A/c Dr. To Bank A/c (Being bank charges charged by bank)		100	100
(E)	Cash /Bank A/c Dr. Rebate A/c Dr. To Bill Receivable A/c (Being bill retired under rebate)		8,700 300	9,000

sa

Q.5. Umesh and Prakash were partners sharing profits and losses in the proportion of 3/5 and 2/5 respectively. They dissolved their partnership firm on 31st March, 2013, when their financial position was as under: (10)

Balance sheet as on 31st March, 2013

Liabilities	Amount	Assets	Amount
Sundry creditors	7,500	Cash at bank	1,500
Umesh's wife's loan	15,000	Debtors	33,750
Capital Accounts		Less: R.D.D,	<u>(3,750)</u>
Umesh	69,000	Stock	67,500
Prakash	45,000	Machinery	22,500
		Furniture	15,000
	1,36,500		1,36,500

- (1) The assets realized as under: Goodwill 7,500, stock 60,000, Debtors 27,000.
 - (2) Machinery was taken over by prakash at 20,000 and furniture by Umesh at book value.
 - (3) Umesh agreed to discharge his wife's loan.
 - (4) The creditors were paid at a rebate of 1,500.
 - (5) The expenses of dissolution amounted to 3,000
- Pass necessary journal entries in the books of the firm.

Ans.

Journal of firm				
Date	Particulars	L.F.	Debit ₹	Credit ₹
31.3.13				
(1)	Realisation A/cDr. To Debtor's A/c To Stock A/c To Machinery A/c To Furniture A/c <i>(Being various assets transferred to Realisation A/c.)</i>		1,38,750	33,750 67,500 22,500 15,000
(2)	Sundry Creditors A/cDr. Umesh's wife's Loan A/c Dr. R.D.D. A/cDr. To Realisation A/c <i>(Being various liabilities and R.D.D. transferred to Realisation A/c.)</i>		7,500 15,000 3,750	26,250
(3)	Bank A/cDr. To Realisation A/c <i>(Being assets realised.)</i>		94,500	94,500
(4)	Prakash Capital A/cDr. To Realisation A/c <i>(Being machinery taken over.)</i>		20,000	20,000
(5)	Umesh Capital A/cDr. To Realisation A/c <i>(Being furniture taken over.)</i>		15,000	15,000
(6)	Realisation A/cDr. To Bank A/c <i>(Being dissolution expenses paid.)</i>		3,000	3,000
(7)	Realisation A/cDr. To Umesh Capital A/c <i>(Being wife's loan taken over.)</i>		15,000	15,000
(8)	Realisation A/cDr. To Bank A/c <i>(Being creditors paid off.)</i>		6,000	6,000
(9)	Umesh Capital A/cDr. Prakash Capital A/cDr. To Realisation A/c <i>(Being loss on realisation distributed.)</i>		4,200 2,800	7,000
(10)	Umesh Capital A/cDr. Prakash Capital A/cDr. To Bank A/c <i>(Being settlement of accounts.)</i>		64,800 22,200	87,000
	Total (₹)		4,12,500	4,12,500

OR

J.K.SHAH CLASSES

Q.5. Mahalaxmi Industries Ltd. Kudnur issued 15,000 equity shares of 100 each. They were payable as follows:

On application	Rs.20	On allotment	Rs.30
On first call 25	Rs.30	On second call	Rs.25

The company received applications for 12,000 shares. All the applications were accepted and shares were allotted. The company made both the calls.

One shareholder holding 400 shares failed to pay the final call. His shares were forfeited.

Pass journal entries in the books of Mahalaxmi industries Ltd., kudnur.

Ans.

Date	Particulars	L.F.	Debit ₹	Credit ₹
(1)	Bank A/c Dr. To Equity Share Application A/c (Being share application money received.)		2,40,000	2,40,000
(2)	Equity Share Application A/c Dr. To Equity Share Capital A/c (Being share application money transferred to Share Capital A/c.)		2,40,000	2,40,000
(3)	Equity Share Allotment A/c Dr. To Equity Share Capital A/c (Being share allotment money due.)		3,60,000	3,60,000
(4)	Bank A/c Dr. To Equity Share Allotment A/c (Being share allotment money received.)		3,60,000	3,60,000
(5)	Equity Share First Call A/c Dr. To Equity Share Capital A/c (Being share first call money due.)		3,00,000	3,00,000
(6)	Bank A/c Dr. To Equity Share First Call A/c (Being first call money received.)		3,00,000	3,00,000
(7)	Equity Share Final Call A/c Dr. To Equity Share Capital A/c (Being share final call money due.)		3,00,000	3,00,000
(8)	Bank A/c Dr. To Equity Share Final Call A/c (Being final call money received on 11,600 shares.)		2,90,000	2,90,000
(9)	Equity Share Capital A/c Dr. To Equity Share Final Call A/c To Equity Share Forfeited A/c (Being 400 shares forfeited on account of non-payment of final call.)		40,000	10,000 30,000
	Total (₹)		24,30,000	24,30,000

Q.6. Following is the balance sheet as on 1.4.2012 and receipts and payments account of Mahakavi kalidas library, Nashik. Balance sheet as on 31st March, 2013. (12)

Balance sheet as on 1st April, 2012

Liabilities	Rs.	Assets	Rs.
Capital fund	6,90,000	Furniture	72,000
Expenses due	7,000	Books	5,51,000
		Investments in securities	50,500
		Cash in hand	8,500
		Cash in bank	15,000
	6,97,000		6,97,000

Receipts and payments Account for the ending 31st March, 2013.

Receipts	Rs.	payments	Rs.
To balance b/d		By electricity charges	6,980
Cash in hand	8,500	By postage and telegram	6,100
Cash at bank	15,000	By purchase of books	80,000
To members subscription	1,80,000	By payment of expenses due	7,000
To entrance fees	25,000	By sundry expenses	10,500
To sale of old newspaper	1,500	By investment in securities	1,00,000
To hire of lecture hall	18,000	By furniture	28,000
To interest on securities	4,000	By balance c/d	
		Cash in hand	6,420
		Cash at bank	7,000
	2,52,000		2,52,000

Adjustments:

- 1) During the current year, furniture was purchased on 1.10.2012. Depreciate furniture @10%.
- 2) Depreciate books by Rs.1, 00,000.
- 3) Membership subscription received during the year includes Rs.15, 000 for the year 2013-14 and Rs.7, 500 are Outstanding for current year.
- 4) Capitalize half (1/2) of the entrance fees.

Prepare: income and expenditure account for the year ended 31st March, 2013 and Balance sheet as on 31st March, 2013

Ans.

In the Books of Mahakavi Kalidas Library					
Income and Expenditure A/c for the year ended 31.03.2013					
Dr.			Cr.		
Expenditure	Amt. ₹	Amt. ₹	Income	Amt. ₹	Amt. ₹
To Electricity charges		6,980	By Member's subscription	1,80,000	
To Postage and Telegram		6,100	Add : Outstanding subscription	7,500	
To Sundry Expenses		10,500		1,87,500	
To Depreciation on : Furniture	8,650		Less : Pre-received subscription	15,000	1,72,500
Books	1,00,000	1,08,650	By Entrance fees	25,000	
To Surplus o/d		76,270	Less : Capitalised	12,500	12,500
			By Sale of old newspapers		1,500
			By Hire of lecture hall		18,000
			By Interest on securities		4,000
		2,08,500			2,08,500

Balance Sheet of Mahakavi Kalidas Library as on 31.03.2013					
Liabilities	Amt. ₹	Amt. ₹	Assets	Amt. ₹	Amt. ₹
Capital Fund:			Furniture	72,500	
Opening Balance	6,90,000		Add : Purchased	28,000	
Add : Entrance Fees	12,500			1,00,500	
	7,02,500		Less : Depreciation	8,650	91,850
Add : Surplus	76,270	7,78,770	Books	5,51,000	
Pre-received subscription		15,000	Add : Purchased	80,000	
				6,31,000	
			Less : Depreciation	1,00,000	5,31,000
			Investment in securities	50,000	
			Add : Purchased	1,00,000	1,50,000
			Cash in hand		6,420
			Cash at bank		7,000
			Outstanding subscription		7,500
		7,93,770			7,93,770

Q.7. Given below is the Trial Balance of M/s. Shailesh and Nilesh as on 31st March, 2016. You are required to prepare trading and profit and loss Account for the year ended 31st March, 2016 and balance sheet as on that date: (15)

Trial Balance as on 31st March 2016

Debit Balances	Amount	Credit Balances	Amount
Opening stock	88,000	Capital A/cs	
purchases	1,76,000	Shailesh	1,20,000
Wages	23,500	Nilesh	1,20,000
Salaries (10 months)	18,000	Sundry creditors	1,03,000
Office Expenses	8,000	Bank Overdraft	60,000
Bank charges	2,600	Sales	3,08,000
Machinery	90,000	Current A/c	
Land and building	1,30,000	Shailesh	5,000
Bad debts	4,000	Nilesh	4,000
Sundry Debtors	82,000		
Electricity charges	9,900		
Furniture	43,000		
8% Debentures (1/10/2015)	40,000		
Drawings:			
Shailesh	3,000		
Nilesh	2,000		
	7,20,000		7,20,000

Adjustment:

- (1) Stock on 31st March, 2016 was valued at market price of Rs.84, 000, which was 20% above it cost price.
- (2) Depreciate machinery at 10% p.a.
- (3) Create reserve for bad and doubtful debts at 5% on sundry debtors.
- (4) Provide interest on capital at 8% p.a.
- (5) Machinery includes purchase of machinery for Rs.40, 000 on 1st January, 2016.

Ans.

Dr. Trading and profit and loss A/c for the year ended 31.03.2016			Cr.		
Particulars	Amt. Rs.	Amt. Rs.	Particulars	Amt. Rs.	Amt. Rs.
To Opening stock		88,000	By Sales		3,08,000
To Purchases		1,76,000	By closing stock		70,000
To wages		23,500			
To Gross Profit c/d		90,500			
		<u>3,78,000</u>			<u>3,78,000</u>
To Bad debts	4,000		By Gross Profit b/d		90,500
Add: New R.D.D.	4,100	8,100	By Interest on		
To Salaries	18,000		Debentures		1,600
Add: Outstanding	3,600	21,600			
To Office Expense		8,000			
To Bank Charges		2,600			
To Electricity charges		9,900			
To Dep. On Machinery		6,000			
To Interest on Capital					
Shailesh	9,600				
Nilesh	9,600	19,200			
To Net Profit:					
Shailesh Cur. A/c	8,350				
Nilesh Cur. A/c	8,350	16,700			
		<u>92,100</u>			<u>92,100</u>

Dr. Partner's Current Accounts						Cr.
Particulars	Shailesh	Nilesh	Particulars	Shailesh	Nilesh	
To Drawings	3,000	2,000	By Balance b/d	5,000	4,000	
To Balance c/d	19,950	19,950	By Interest on Capital	9,600	9,600	
			By Profit and Loss A/c	8,350	8,350	
	<u>22,950</u>	<u>21,950</u>		<u>22,950</u>	<u>21,950</u>	

**M/s. Shailesh and Nilesh
Balance Sheet as on 31st March, 2016**

Liabilities	Amt. Rs.	Amt. Rs.	Assets	Amt. Rs.	Amt. Rs.
Partners' Capital A/c:			Land and Building		1,30,000
Shailesh	1,20,000		Machinery	90,000	
Nilesh	1,20,000	2,40,000	Loss: Depreciation	6,000	84,000
Partner's Current A/cs:			Furniture		43,000
Shailesh	19,950		Sundry Debtors	82,000	
Nilesh	19,950	39,900	Less: R.D.D.	4,100	77,900
Sundry Creditors		1,03,000	8% Debentures	40,000	
Bank Overdraft		60,000	Add: O/s Interest	1,600	41,600
O/s Salaries		3,600	Closing Stock		70,000
		<u>4,46,500</u>			<u>4,46,500</u>