SYJC - FEB' 18
PRELIMINARY PAPER
ACCOUNTS
(3 Hours)
(80 Marks)

Q.1) Attempt any three of the following sub –questions: **[15]**

(A) Answer the following in 'one' sentence each: [5]

1. What is bad debts?
2. What is surplus?
3. What are Noting Charges?
4. What is Gain Ratio?
5. What do you mean by Analysis of Financial Statement?

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

1) Expenses which are paid before due.
2) Excess of expenditure over income of 'not for profit' concerns.
3) Payment of the bill before due date.
4) An account opened to find out the profit or loss on sale of assets and settlement of liabilities.
5) A statement similar to balance sheet.

(C) Select the most appropriate answer from the alternatives given below and the Sentences: [5]

1. If shares are issued at its face value, it is called as issue at.-----------
(a) premium (b) discount (c) par (d) none of these

2. A person who accepts the bill is called,-------------
(a) drawer (b) acceptor (c) payee (d) creditor

3. The capital in the beginning of the accounting year is ascertained by preparing------------
(a) Closing statement of affairs (b) cash account
(c) Statement of profit or loss (d) opening statement of affairs

4. (4) If any asset is taken over by partner from firm his capital A/c will be--------------
(a) Credited (b) debited (c) added (d) none of these

5. The proportion in which old partners make a sacrifice is called--------- ratio
(a) Capital (b) gaining (c) sacrifice (d) new

(D) State whether the following statements are True or False: [5]

1. The interest on capital is art income of the firm.
2. The inland bill which is; drawn in and payable in the same country.
3. The debenture holder is owner of the company.
4. Purchase of fixed asset is operating cash flow.
5. Noting charges are payable to the Notary public, in case of honour of a bill.

(E) Prepare a bill of exchange from the following details: [5]

1. Drawee	-	M. P. Shinde, Siddharth Nagar, Panchgani
2. Drawer	-	M. M. Shaikh, Satara Road, Sangli.
3. Period of bill	-	90 days.
4. Amount of bill	-	Rs.12,800/-
5. Date of bill	-	10th March, 2013
6. Date of acceptance	-	14th March, 2013

Answer :

(A)

(1) Irrecoverable amount from debtors is called bad debts. It is the loss of the business.

(2) Excess of income over expenditure is called surplus.

(3) Fees charged by the notary public for establishing facts of dishonour of bill are called noting charges.

(4) Profit sharing ratio which is acquired by the 'continuing partners on account of retirement or death of a partner is called gain ratio.

(5) Analysis of financial statement is critical evaluation of financial statements to measure the profitablity, operational efficiency, solvency and growth of business concern.

(B)

(1) Prepaid expenses
(2) Deficit
(3) Retirement of Bill
(4) Realisation Account
(5) Statement of Affairs.

(C)

(1) **(c)** par
(2) **(b)** acceptor
(3) **(d)** opening statement of affairs
(4) **(b)** debited
(5) **(c)** sacrifice

(D)

(1) False
(2) True
(3) False
(4) False
(5) False

(E)

BILL OF EXCHANGE	
STAMP	M.M. Shaikh, Satara Road, Sangli.
Rs. 12,800/-	Date : 10th March 2013

Ninety days after date, pay to me or my order a sum of rupees Twelve Thousand Eight Hundred only for value received.

Sd/-
M. Shaikh

To,
M.P. Shinde,
Siddharth Nagar,
Panchgani

"ACCEPTED"
Sd/-
P. Shinde
Date: 14th March, 2013

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

Particulars	31.03.2012 Amount (Rs.)	31.03.2013 Amount (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	-
Pre-paid Expenses	-	500
Cash at Bank	28,000	40,000

Further information:

(1) Mrs. Meena introduced additional capital as on 1st October, 2012 by selling personal car is Rs.10,000.

(2) She paid her daughter's college fees from business bank account RS.3,000.

(3) Depreciate machinery by 5% p.a.

(4) Provide 2% on debtors for Bad and Doubtful debts.

(5) 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.

Answer.

Statement of Affairs of Mrs. Meena

Liabilities	31.03.2012 Rs.	31.03.2013 Rs.	Assets	31.03.2012 Rs.	31.03.2013 Rs.

Creditors	18,000	20,000	Machinery	50,000	50,000
Outstanding Expenses	1,500	-	Furniture	50,000	30,000
			Debtors	18,000	25,000
Capital (Bal. Fig.)	1,56,500	1,67,500	Stock	30,000	42,000
			Prepaid Expenses	-	500
			Cash at Bank	28,000	40,000
	1,76,000	**1,87,500**		**1,76,000**	**1,87,500**

Statement of Profit and Loss of Mrs. Meena
for the year ended 31.03.2013

Particulars	Amount Rs.	Amount Rs.
Closing Capital as on 31.03.2013		1,67,000
Add: Drawings		3,000
		1,70,500
Less: Opening Capital as on 31-03-2012		1,56,500
		14,000
Less: Additional Capital introduced as on 01-10-2012		10,000
		4,000
Add: Interest on Drawings (5% on { 3,000 for 6 months)		75
		4,075
Less: Depreciation on Machinery (5% on Rs. 50,000)	2,500	
Provision for bad and doubtful debts (2% on Rs.25,000)	500	
	2,000	
Interest on capital :		
5% on ~ 1,56,500	7,825	
5% on ~ 10,000 for 6 months	250	11,075
Net Loss for the year		7,000

OR

(A) What are the components of 'Current Ratio'? [4]

(B) What are the different cash inflows and cash outflows of investing activities? [4]

Answer :

(A)

Current Ratio shows the relationship between current assets and current liabilities, cash and bank balance, sundry debtors, bills receivable, stock in hand, prepaid expenses and outstanding incomes, etc. are included in current 'assets.

Current liabilities included bank overdraft, sundry creditors, bills payable, short term loans, outstanding expenses, advance income, etc.

This ratio help to measure the ability of the firm to meet his short term obligations and loans. The standard current ratio is 2 : 1.

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

Current ratio is also known as 'Working Capital Ratio'.

(B)

Cash Inflow	Cash Outflow
(1) Cash received from sale of property or fixed assets. (2) Cash received from sale of shares of other Entities . (3) Interest and dividend received.	(1) Cash paid for purchase of fixed assets. (2) Cash paid for purchase of shares of other shares of other entities . (3) Cash payment of brokerage or commission for buying the investments .

Q.3) Rani and Geeta are partners sharing profits and losses 3:2 respectively. Their position on 31st March, 2013 was as follows: **[10]**

Balance Sheet as on 31st March, 2013

Liabilities	Amount (Rs)	Assets	Amount (Rs)	Amount (Rs)
Capital Accounts		Building		1,00,000
Rani	1,00,000	Furniture		10,000
Geeta	75,000	Stock		31,000
Creditors	10,000	Debtors:	50,000	
Bills payable	5,000	Less: R.D.D.	(1000)	49,000
General Reserve	15,000	Bank Balance		15,000
	2,05,000			**2,05,000**

On 1st April, 2013 they admitted Suvarna on the following terms:

1. Suvarna should bring in cash Rs.1,00,000 as capital for 1/5th share in future profit and RS.25,000 as goodwill.
2. Building should be revalued at Rs.1,25,000.
3. Depreciate furniture @ 12 ½ % p.a. and stock @10% p.a.
4. R.D.D. should be maintained as it is.
5. The Capital Accounts of partners should be adjusted in their new profit sharing ratio through bank account.
6. Prepare: Profit and loss adjustment account, capital 'accounts and balance sheet of the new firm.

Answer :

Dr. **Profit and Loss A/c** **Cr.**

Particulars	Amount Rs.	Particulars	Amount Rs.
To Furniture A/c To Sock A/c To Profit transferred to: Rani 12,390 Geeta 8,260	1,250 3,100 20,650	By Buildings A/c	25,000
	25,000		**25,000**

Dr. **Partner's Capital A/c** **Cr.**

Particulars	Rani	Geeta	Suvarna	Particulars	Rani	Geeta	Suvarna
To Bal. c/d	2,40,000	1,60,000	1,00,000	By Bal. b/d	1,00,000	75,000	-
				By General Reserve A/c	9,000	6,000	-
				By Bank A/c	-	-	1,00,000

				By Goodwill A/c	15,000	10,000	-
				By P&L Adj. A/c	12,390	8,260	-
				By Bank A/c (Bal.)	1,03,610	60,740	-
	2,40,000	**1,60,000**	**1,00,000**		**2,40,000**	**1,60,000**	**1,00,000**

Balance Sheet As on 1st April , 2014

Liabilities	Amount Rs.	Amount Rs.	Assets	Amount Rs.	Amount Rs.
Capital :			Buildings	1,00,000	
Rani	2,40,000		Add : Appreciation	25,000	1,25,000
Geeta	1,60,000		Furniture	10,000	
Suvarna	1,00,000	5,00,000	Less: Depreciation	1,250	8,750
Creditors		10,000	Stock	31,000	
Bills Payable		5,000	Less: Depreciation	3,100	27,900
			Debtors	50,000	
			Less: R.D.D.	1,000	49,000
			Bank Balance		3,04,350
		5,15,000			**5,15,000**

Working Notes :

(1)

Dr. **Bank A/c** **Cr.**

Particulars	Amount Rs.	Particulars	Amount Rs.
To Bal. b/d	15,000	By Bal. c/d	3,04,350
To Suvarna's Capital A/c	1,00,000		
To Goodwill A/c	25,000		
To Rani's Capital A/c	1,03,610		
To Geeta's Capital A/c	6,740		
	3,04,350		**3,04,350**

(2) Calculation of New Profit sharing ratio :

Total Share = 1

Suvarna's share = 1/5

Remaining share = 1 – 1/5 = 4/5

Rani's share = $\frac{3}{5} x \frac{4}{5} = \frac{12}{25}$

Geeta's share = $\frac{2}{5} x \frac{4}{5} = \frac{12}{25}$ New Ratio = 12 :8 : 5

(3) New firm's total capital = 1,00,000 x $\frac{5}{1}$ =Rs. 5,00,000

Rani's New capital = 5,00,000 x $\frac{12}{25}$ = Rs. 2,40,000

Geeta's New capital = 5,00,000 x $\frac{8}{25}$ = Rs. 1,60,000

OR

Q.3) The balance sheet of 'Anand Traders, Wardha' is as follows.

Partners share profits and losses as $\frac{5}{10}:\frac{2}{10}:\frac{3}{10}$

Balance Sheet as on 31st March, 2013

Liabilities	**Amount (Rs)**	**Assets**	**Amount (Rs)**	**Amount (Rs)**
Capital Accounts		Plant and Machinery		32,000
Sunil	36,000	Factory Building		40,000
Pankaj	32,000	Stock		20,400
Paresh	17,600	Debtors:	16,800	
Creditors	21,200	Less: R.D.D.	(800)	16,000
General Reserve	14,000	Cash		12,400
	1,20,800			**1,20,800**

Pankaj retired from the business on 1st April, 2013 on the following terms:

(1) The assets were revalued as under....

(i) Stock at Rs.28,000.

(ii)Factory building is appreciated by 10%.

(iii) Reserve for doubtful debts is to be increased up to Rs. 1,000/-

(iv) Plant and machinery is to be Depreciation by 10%.

(2) The goodwill of the retiring partner is valued at Rs. 8,000 and the remaining partners decided that goodwill be written back in their new profit sharing ratio which will be 5:3

(3) Amount due to Pankaj is to be transferred to his loan account.

Prepare:

(a) Profit and loss adjustment account,

(b) Capital account of partners

(c)Balance sheet of new firm.

Answer :

Dr. **Profit and Loss Adjustment A/c** **Cr.**

Particulars		**Amount Rs.**	**Particulars**	**Amount Rs.**
To R.D.D. A/c		200	By Stock A/c	7,600
To Plant and Machinery A/c		3,200	By Factory Building A/c	4,000
To Profit Transferred to :				
Sunil	4,100			
Pankaj	1,640			
Paresh	2,460	8,200		
		11,600		**11,600**

Dr. **Partner's Capital A/c**

Cr.

Particulars	**Sunil**	**Pankaj**	**Paresh**	**Particulars**	**Sunil**	**Pankaj**	**Paresh**
To Goodwill A/c	5,000	------	3,000	By Bal. b/d	36,000	32,000	17,600

To Loan A/c	-	44,440	-	By General Reserve A/c	7,000	2,800	4,200
				By Goodwill A/c	-	8,000	-
				By P&L Adj. A/c	4,100	1,640	2,460
	47,100	**44,440**	**24,260**		**47,100**	**44,440**	**24,260**

Balance Sheet as on 1st April, 2013

Liabilities	Amount Rs.	Amount Rs.	Assets	Amount Rs.	Amount Rs.
Capital : Sunil Paresh	 42,100 21,260	 63,360	Plant & Machinery Less : Depreciation Factory Building Add : Appreciation Stock	32,000 3,200 40,000 4,000 20,400	 28,800 44,000
Pankaj's Loan		44,440	Add : Appreciation Debtors	7,600 16,800	 28,000
Creditors		21,200	Less R.D.D.	(1,000)	15,800
			Cash		12,400
		1,29,000			**1,29,000**

Q.4)

Raja of Nagpur draws a bill on Pradhan of Bhandara for Rs.6,000 at 3 months. Pradhan accepted and returned it to Raja. Raja then sent the bill to bank for collection.

On due date, Pradhan finds himself unable to make payment of the bill and requests Raja to renew it. Raja accepted a proposal on the condition that, Pradhan should pay Rs.1,000 on account along with interest Rs.250 in. cash and should accept new bill for the balance at 2 months. These arrangements were carried through.

Afterwards, one month before due date of new bill Pradhan retired his acceptant by paying Rs.4,850.

Give Journal entries in the books of Raja of Nagpur. **[10]**

Answer:

In the books of Raja

Journal

Date	Particulars	L.F.	Debit Rs.	Credit Rs.
1.	Bills Receivable A/c Dr. To Pradhan's A/c (Being bill accepted)		6,000	 6,000
2.	Bills Sent for collection A/c Dr. To Bills Receivable A/c (Being bills sent to bank for collection)		6,000	 6,000
3.	Pradhan's A/c Dr. To Bills Sent for Collection A/c (Being bill accepted by him and deposited into bank cancelled for renewal)		6,000	 6,000
4.	Pradhan's A/c Dr. To Interest A/c (Being Interest charged for renewal bill)		250	 250
5.	Cash A/c Dr.		1,250	

	To Pradhan's A/c (Being cash received as part of bill plus interest)				1,250
6.	Bills Receivable A/c To Pradhan's A/c (Being new bill accepted)	Dr.		5,000	 5,000
7.	Cash A/c Rebate A/c To Bills Receivable A/c (Being bill retired one month before due date)	Dr.		4,850 150	 5,000

Q.5) A, B, and C were partners sharing profits and losses in the proportion of 2 : 2 : 1. Following is their balance sheet as on 31st March, 2013: **[10]**

Balance Sheet as on 31st March, 2013

Liabilities	Amount	Assets		Amount
Capital :		***Machinery***		25,000
A	30,000	Stock		10,000
B	10,000	Debtors	27,500	
C	10,000	Less: R.D.D.	(1,500)	26,000
General reserve	3,000	Investment		12,000
Creditors	20,000	Profit and Loss Alc.		9,000
A'S loan A/c.	4,000	Bank		2,000
Bills Payable	7,000			
	84,000			**84,000**

On the above date the partners decided to dissolve the firm.

1. Assets were realised as –
Machinery Rs. 22,500, Stock Rs. 9,000, Investment Rs.10,500, Debtors Rs. 22,500.

2. Dissolution expenses were Rs.1,500.

3. Goodwill of the firm realised Rs.12,000.

Pass the necessary journal entries in the books of the firm.

Answer :

In the books of A, B & C

Journal

Date	Particulars		L.F.	Debit Rs.	Credit Rs.
	Realisation A/c To Machinery A/c To Stock A/c To Debtors A/c To Investment A/c (Being assets transferred to Realisation A/c)	Dr.		74,500	 25,000 10,000 27,500 12,000
	Creditors A/c Bills Payable A/c R.D.D. A/c To Realisation A/c (Being Liabilities transferred to Realisation account)	Dr. Dr. Dr.		20,000 7,000 1,500	 28,500
	General Reserve A/c To A's Capital A/c To B's Capital A/c To C's Capital A/c (Being General Reserve distributed to Partners in profit & loss ratio)	Dr.		3,000	 1,200 1,200 600

	A's Capital A/c Dr. B's Capital A/c Dr. C's Capital A/c Dr. To Profit & Loss A/c (Being debit balance of P&L A/c transferred to Partner's Capital A/c)		3,600 3,600 1,800	9,000
	Bank A/c Dr. To Realisation A/c (Being assets realised and also Goodwill)		76,500	76,500
	Realisation A/c Dr. To Bank A/c (Being dissolution expenses, sundry creditors and Bills Payable paid)		28,500	28,500
	A's Loan A/c Dr. To Bank A/c (Being A's Loan paid)		4,000	4,000
	Realisation A/c Dr. To A's Capital A/c To B's Capital A/c To C's Capital A/c (Being profit on Realisation transferred to Partners Capital account in P&L Ratio)		2,000	800 800 400
	A's Capital A/c Dr. B's Capital A/c Dr. C's Capital A/c Dr. To Bank A/c (Being amount paid to partner's for final settlement of accounts)		28,400 8,400 9,200	46,000

OR

Q.5) Kisan Co. Ltd. Miraj, issued Rs.50,000 shares at par Rs.10 each, payable Rs.3 on application, Rs.4 on allotment and the balance on the final call. All the shares were fully subscribed and paid except a shareholder Mr. D. Kapse having Rs.1,000 shares could not pay the final call .
Mr. D. Kapse paid the call-in-arrear amount together with interest after four months of due date of final call. Company charged interest on the arrears received as per table 'A'
Pass journal entries to record these transactions assuming that call-in-arrears and interest money received from Mr. D. Kapse in the books of Kisan Co. Ltd. Miraj.

Answer :

Date	Particulars	L.F.	Amount Rs.	Amount Rs.
	Bank A/c Dr. To Share Application A/c (Being share application money received)		15,000	15,000
	Share Application A/c Dr. To Share Capital A/c (Being application money transferred to Share Capital A/c)		15,000	15,000
	Share Allotment A/c Dr. To Share Capital A/c (Being share allotment money due)		20,000	20,000
	Bank A/c Dr.		20,000	

	To Share Capital A/c (Being share allotment money received)			20,000
	Share Final Call A/c Dr. To Share Capital A/c (Being share final call money due)		15,000	15,000
	Bank A/c Dr. To Share Final Call A/c (Being share final call money received)		12,000	12,000
	Share-call-arrears A/c Dr. To Share Final Call A/c (Being arrear of final call on 1000 share @ Rs.3 each)		3,000	3,000
	Mr. D. Kapse A/c Dr. To Interest on Call-in-arrears A/c (Being interest charged on call in arrears)		50	50
	Bank A/c Dr. To Mr. D. Kapse A/c (Being Amount of call-arrears with interest received)		3050	3050

Working Notes :

(1) No. of shares = $\frac{\text{Rs.}50{,}000}{\text{Rs.}10}$

=5,000

(2) Interest on call in arrear as per Table A is 5% p.a.

. Interest = $3{,}000 \times \frac{5}{100} \times \frac{4}{12}$ = Rs. 50

Q.6) Marathi Vishwa Kosha Centre, Wai, has given you the following information from which, you are required to prepare: (i) Income and Expenditure Account for the year ending on 31.03.2013, (ii) Balance sheet as on 31.03.2013. **[12]**

Receipts and Payments Account for the year ending 31.03.2013

Receipts	Amount	Payments	Amount
To Balance b/d		By Stationery	5,000
Cash in hand	13,000	By Furniture (Purchased	
Cash at bank	95,000	on 01.01.2013)	50,000
To Locker Rent	5,000	By Investments	1,00,000
To Entrance fees	19,000	By Expenses of Drama	33,500
To Sale of old newspapers	1,500	By Postage and telegram	2,500
To Receipts from Drama	78,500	By Magazines and newspapers,	4,000
To Legacies	1,10,000	By Salaries	22,000
To Miscellaneous Receipts	8,000	By Balance c/d	
		Cash in hand	3,000
		Cash at bank	1,10,000
	3,30,000		**3,30,000**

Additional information:

(1) Capital fund on 01.04.2012, was Rs.1,08,000.

(2) Legacies are to be capitalised,

(3) Outstanding salary Rs.3,000.

(4) 50% of entrance fees is to be capitalised.

(5) Depreciation on Furniture @ 10% p.a.

Answer :

In the Books of Marathi Vishwa Kosha Centre

Income and Expenditure account

Dr. **for the year ending 31.03.2013** **Cr.**

Expenditures	Amount (Rs.)	Amount (Rs.)	Income	Amount (Rs.)	Amount (Rs.)
To Stationery		5,000	By Locker Rent		5,000
To Postage & Telegram		2,500	By Entrance Fees	19,000	
To Magazine & Newspapers		4,000	Less : 50% Capitalised	9,500	9,500
To Salaries	22,000		By sale of Old Newspapers		1,500
Add : Outstanding	3,000	25,000	By receipts from Drama	78,500	
To Depreciation on Furniture		1,250	Less : Expenses of Drama	33,500	45,000
To Excess of Income over			By Miscellaneous receipts		8,000
To Expenditure (Surplus)		31,250			
		69,000			**69,000**

Balance Sheet

as on 31-03-2013

liabilities	Amount (Rs.)	Amount (Rs.)	Assets	Amount (Rs.)	Amount (Rs.)
Capital Fund	1,08,000		Furniture	50,000	
Add : Legacies capitalised	1,10,000		Less : Depreciation	1,250	48,750
	2,18,000				
Add : Entrance fees capitalised	9,500		Investment		100,000
	2,27,500		Cash-in-hand		3,000
Add : Surplus	31,250	2,58,750	Cash at bank		1,10,000
Outstanding salary		3,000			
		2,61,750			**2,61,750**

Working Note :

Depreciation on furniture for 3 months

$= 50,000 \times \frac{10}{100} \times \frac{3}{12} = \text{Rs. } 1,250$

Q.7) From the following Trial Balance and adjustments of M/s Apeksha and Pratiksha; you are required to prepare Trading and Profit and Loss account for the year ended 31st March 2013 and Balance Sheet as on that date: **[15]**

Trial Balance as on 31.03.2013

Particulars	Debit Rs.	Credit Rs.
Capital Accounts		60,000
Apeksha		35,000

Pratiksha		85,000
Purchase and sales	46,700	25,000
Sundry Debtors and Creditors	28,000	7,800
Bills receivable and bills Payable	9,600	
Opening Stock	18,000	
Wages	9,900	
Investment	13,500	
Postage and Telegrams	3,600	
Insurance	1,200	
Plant and machinery	40,700	
Furniture	18,000	
Cash in hand	2,500	
Carriage	3,200	
Bad Debts	400	
Pre-paid rent	7,000	
Salaries	10,500	
	2,12,800	**2,12,800**

Adjustment:

1. The closing stock is valued at Rs.31,000.

2. Outstanding wages Rs.1,400.

3. Depreciate furniture at 10% p.a.

4. Insurance Rs.500 is paid in advance.

5. Provide for further bad debts of Rs.1,500.

6. Goods worth Rs.2,000 withdrawn by Apeksha for her domestic use but not recorded in the books of account.

Ans :

In the Books of M/s Apeksha and Pratiksha
Trading and Profit and Loss Account
For the year ended 31-03-2013

Particulars	Amount Rs.	Amount Rs.	Particulars	Amount Rs.	Amount Rs.
To Opening Stock		18,000	By Sales		85,000
To Purchases		46,700	By Closing Stock		31,000
To Wages	9,900		By Goods taken by		
Add : Outstanding	1,400	11,300	Apeksha (Drawings)		2,000
To Carriage		3,200			
To Gross Profit c/d		38,800			
		1,18,000			1,18,000
To Postage and Telegrams		3,600	By Gross Profit b/d		38,800
To Insurance	1,200				
Less : Advance	500	700			
To Bad debts	400				
Add : Bad Debts	1,500	1,900			
To Salaries		10,500			
To Depreciation on Furniture					
To Net Profit					
Apeksha	10,150				
Pratiksha	10,150	20,300			

		38,800			**38,800**

Balance Sheet As on 31-03-2013

Liabilities		**Amount Rs.**	**Assets**		**Amount Rs.**
Capital			Sundry Debtors	28,500	
Apeksha	60,000		Less: Bad Debts	(1,500)	26,500
Less : Drawings	(2,000)		Bills Receivable		9,600
	58,000		Investment		13,500
Add : Net Profit	10,150	68,150	Plant & Machinery A/c		40,700
Pratiksha	35,000		Furniture	18,000	
Add : Net Profit	10,150	45,150	Less : Depreciation	(1,800)	16,200
Sundry Creditors		25,000	Cash in Hand		2,500
Bills Payable		7,800	Prepaid rent		7,000
Outstanding wages		1,400	Closing Stock		31,000
			Advance Insurance		500
		1,47,500			**1,47,500**