

ACCOUNTANCY CLASS – XI
Examination Paper 2015

Time Allowed: 3 Hours

Max. Marks: 80

General Instructions:

1. All the questions are compulsory.
 2. Attempt all the parts of a question at one place.
 3. Show your workings clearly.
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GROUP-A

1. Answer the following questions:

(1 × 24 = 24)

Select the Correct Alternative:

- (i) Which of the following is not qualitative characteristic of accounting information?
 - (a) Understandability
 - (b) Relevance
 - (c) Reliability
 - (d) Presentation
- (ii) Which of the following is an internal user of accounting information?
 - (a) Management
 - (b) Government
 - (c) Customers
 - (d) None of these
- (iii) Suppliers of goods and services on credit are called
 - (a) Customers.
 - (b) Creditors.
 - (c) Investors.
 - (d) Employees.
- (iv) The nature of capital is
 - (a) an asset.
 - (b) an internal liability.
 - (c) an income.
 - (d) an external liability.
- (v) In accounting non-financial transactions are not recorded because of
 - (a) Entity Concept.
 - (b) Money Measurement Concept.
 - (c) Cost Concept.
 - (d) Accrual Concept.
- (vi) Profit and Loss Account is prepared for a period of one year by following
 - (a) Accounting Period Concept.
 - (b) Going Concern Concept.
 - (c) Matching Concept.
 - (d) Entity Concept.
- (vii) Which of the following is fundamental accounting assumption?
 - (a) Accrual
 - (b) Consistency
 - (c) Both (a) and (b)
 - (d) None of these
- (viii) Indian Accounting Standards are issued by
 - (a) ICAI (Institute of Chartered Accountants of India).
 - (b) ICSI.
 - (c) IASC.
 - (d) ICAI (Institute of Cost Accountants of India).

- (ix) Which of the following is correct?
 (a) Assets = Liabilities – Capital (b) Assets = Capital – Liabilities
 (c) Assets = Capital + Liabilities (d) Liabilities = Capital + Assets
- (x) The liabilities to third party of a business are ₹ 60,000 and the capital is ₹ 90,000. The total assets of the business are
 (a) ₹ 30,000. (b) ₹ 1,50,000.
 (c) ₹ 60,000. (d) ₹ 90,000.
- (xi) The periodical total of the Sales Return Book is posted to the
 (a) Credit of Sales Account. (b) Debit of Sales Account.
 (c) Debit of Sales Return Account. (d) Credit of Sales Return Account.
- (xii) Which of the following account has credit balance?
 (a) Carriage Inward Account (b) Carriage Outward Account
 (c) Return Inward Account (d) Return Outward Account
- (xiii) Repairing expenses for the machine is debited to Machinery Account, this is an example of
 (a) Compensating error. (b) Error of principle.
 (c) Error of commission. (d) Error of omission.
- (xiv) Which of the following factors affect the amount of depreciation?
 (a) Cost of the asset (b) Expected useful life of the asset
 (c) Estimated residual value of the asset (d) All of these.
- (xv) A furniture costing ₹ 4,000 was purchased on 01.04.2014. Rate of depreciation is 10% p.a. Amount of depreciation for the year ended 31.12.2014 is
 (a) ₹ 400. (b) ₹ 100.
 (c) ₹ 300. (d) ₹ 350.
- (xvi) In case of dishonour of bill, noting charges are borne by
 (a) Drawer. (b) Bank.
 (c) Creditor. (d) Drawee.
- (xvii) Amal endorsed a bill received from Bimal to his creditor Shyamal in settlement of his debt. The bill is dishonoured on the due date. In the books of Amal, the dishonour of bill will be recorded as
 (a) Debit Shyamal A/c; Credit Bimal A/c.
 (b) Debit Bimal A/c; Credit Shyamal A/c.
 (c) Debit Bills Receivable A/c; Credit Shyamal A/c.
 (d) Debit Bills Receivable A/c; Credit Bimal A/c.
- (xviii) Capital Expenditure is included in
 (a) Trading A/c. (b) Profit and Loss A/c.
 (c) Balance Sheet. (d) Profit and Loss Appropriation A/c.
- (xix) Which of the following is not a not-for-profit organisation?
 (a) Public Library (b) Sports Club
 (c) Temple (d) Sole Proprietorship Business

- (xx) Advance subscription received by a club on 01.04.2013 was ₹ 5,000 and Advance subscription received on 31.03.2014 ₹ 7,000. If subscription received during 2013–14 ₹ 48,000 the amount of subscription to be recorded in Income and Expenditure Account for the year 2013–14 is
- (a) ₹ 48,000. (b) ₹ 58,000.
(c) ₹ 46,000. (d) ₹ 50,000.
- (xxi) When closing capital is more than opening capital, it denotes
- (a) Profit. (b) Loss.
(c) Profit if there is no introduction of capital.
(d) Profit if there are no introduction of capital and drawings.
- (xxii) Capital at the end ₹ 2,23,000. Drawings made during the year ₹ 12,000, Opening Capital ₹ 1,40,000 and Profit for the year is ₹ 35,000. Capital introduced during the year is
- (a) ₹ 70,000. (b) ₹ 60,000.
(c) ₹ 36,000. (d) ₹ 75,000.
- (xxiii) Opening and closing balance of debtors are ₹ 1,20,000 and ₹ 1,80,000 respectively, Collection from debtors during the year ₹ 90,000. Credit sales for the year is
- (a) ₹ 1,50,000. (b) ₹ 30,000.
(c) ₹ 2,00,000. (d) ₹ 3,00,000.
- (xxiv) What is the full form of DBMS?
- (a) Data Base Management System (b) Data Manage System
(c) Data Base Multiplication System (d) None of these

GROUP-B

2. Answer the following questions in very short (Alternatives are to be noted): (1 × 12 = 12)

- (i) Define liability.
- OR
- Define revenue.
- (ii) What is the main objective of Accounting Standards?
- OR
- State any one benefit of Accounting Standards.
- (iii) What is Going Concern Concept?
- OR
- What is Accounting Entity Concept?
- (iv) What do you mean by Double Entry System?
- (v) Mention a difference between Purchases Book and Purchases Account
- OR
- What is the basic difference between Journal and Ledger?
- (vi) Mention an error which does not affect the Trial Balance.
- (vii) What is the adjustment entry in preparation of financial statements for cost of goods distributed as free sample?
- (viii) What do you mean by Receipts and Payments Account?
- OR
- Mention a difference between Cash Book and Receipts and Payments Account.

- (ix) How would you treat Entrance fees at the time of preparation of Final Accounts of a not-for-profit organisation?
- (x) From the following information, compute total purchases:
Cash purchases ₹ 2,50,000; credit purchases are 80% of total purchases.
- (xi) What is Software?

OR

- What is meant by Hardware?
- (xii) State one advantage of Computerised Accounting System.

GROUP-C**3. Answer the following questions (Alternatives are to be noted):** (4 × 4 = 16)

- (i) The following errors were detected in the books of Karmakar & Co. after preparation of their Trial Balance. Rectify these errors:
- (a) Total of Returns Inward Book was undercast by ₹ 2,000.
- (b) Purchase of an office Almirah costing ₹ 12,000 passed through the Purchases Day Book.
- (c) Recovery of bad debt earlier written off ₹ 700 credited to Debtors Account.
- (d) Wages of ₹ 2,000 for installation of machinery debited to Wages Account.
- (ii) Distinguish between General Reserve and Specific Reserve.

OR

R. Ltd. purchased a machine on 01.07.2013 for ₹ 60,000. On 01.09.2013 it purchased another machine for ₹ 1,00,000. On 01.06.2014 it sold the first machine for ₹ 32,000 due to its bad performance. The company charges depreciation @ 10% p.a. under Straight Line Method.

Prepare Machinery Account for the year ended 31.12.2013 and 31.12.2014.

- (iii) On 01.02.2014, Diya sold goods to Ria for ₹ 20,000. On 04.02.2014, Ria accepted a bill payable of ₹ 20,000 due after 3 months. On 04.03.2014, Diya discounted the bill with Bank at a discount of 8% p.a. On the due date Ria failed to pay the bill. Noting charges incurred by Bank ₹ 100. Pass Journal entries in the books of Diya.

OR

Define Bill of Exchange. State its features.

- (iv) Write a short note on use of computers in accounting.

GROUP-D**4. Answer the following questions (Alternatives are to be noted):** (6 × 3 = 18)

- (i) From the following particulars, prepare a Purchases Day Book of Bikash Sharma who is a retailer of electrical goods:
- 15.07.2014 Purchased from B.K. Electricals:
100 Tube lights @ ₹ 30 each;
200 CFL Bulbs @ ₹ 110 each;
Trade Discount 10%, Packing and Forwarding charges paid ₹ 150.

- 22.07.2014 Purchased from Bhatia & Co.:
10 Mixer Grinders @ ₹ 2,500 each;
20% Trade Discount, Sales Tax 15%.
- 30.07.2014 Purchased from Gagan Bros.:
50 Fans @ ₹ 3,200 each;
20% Trade Discount, Sales Tax 15%;
Transport Charges ₹ 500.

OR

Redraft the following Trial Balance:

Particulars	Dr. (₹)	Particulars	Cr. (₹)
Returns Outward	16,000	Debtors	15,000
Opening Stock	34,200	Carriage Outward	5,000
Salaries	12,000	Capital	45,200
Creditors	28,000	Machinery	18,000
Bank	45,000	Returns inward	3,000
Carriage Inward	6,000	Discount Received	4,000
Commission Received	3,000	General Expenses	6,000
Discount Allowed	2,000	Sales	1,50,000
Purchases	1,00,000	Furniture	10,000
Bills Payable	10,000		
	2,56,200		2,56,200

- (ii) Distinguish between a 'Receipts and Payments Account' and an 'Income and Expenditure Account'.

OR

From the following Receipts and Payments Account and additional information of a club, prepare an Income and Expenditure Account for the year ended 31.12.2014.

RECEIPTS AND PAYMENTS ACCOUNT

Dr.		Cr.	
for the year ending 31st December, 2014			
Receipts	₹	Payments	₹
To Balance <i>b/f</i>		By Salaries	1,400
Cash and Bank	400	By General Expenses	300
To Subscriptions:		By Electric Charges	200
2013	300	By Newspapers	350
2014	1,000	By Repair of Carrom Board	600
2015	100	By Maintenance Expenses of Club Hall	1,100
To Sale of Newspapers	150	By <i>balance c/f</i>	2,100
To Miscellaneous Receipts	100		
To Rent Received from Club Hall	4,000		
	6,050		6,050

Additional Information:

- (a) The club has 50 members and each paying an annual subscription of ₹ 25. Subscription outstanding on 31.12.2013 were ₹ 300.
- (b) Outstanding salary on 31.12.2014 ₹ 100.
- (c) On 01.01.2014, the club had Building ₹ 10,000, Furniture ₹ 2,000.
- (d) Provide depreciation on Building and Furniture @ 10% p.a.

(iii) From the following data ascertain the amount of Credit Sales:	₹
Opening Balance of Debtors	12,100
Closing Balance of Debtors	20,000
Collection from Debtors	64,000
Bill Receivable received from Debtors	5,000
Bad Debt	2,000
Discount Allowed	800
Returns Inward	1,200
Sundry Charges charged to Debtors	400
Bad Debt Recovered	700

OR

What do you mean by Single Entry system? State the limitations of this system.

(2 + 4)

GROUP-E

5. Answer the following question:

(10 × 1 = 10)

The Trial Balance of Ghose Electricals on 31.12.2014 is given below:

Particulars	Dr. (₹)	Cr. (₹)
Furniture	42,000	...
Building	1,40,000	...
Motor Vehicles	80,000	...
Debtors and Creditors	70,000	52,000
Stock (01.01.2014)	86,000	...
Purchases and Sales	6,42,000	8,86,000
Sales and Purchases Return	6,000	12,000
Cash in hand	18,000	...
Bank Overdraft	...	36,000
Interest on Bank Overdraft	1,800	...
Commission Received	...	2,700
General Expenses	11,000	...
Salaries	60,000	...
Carriage on Purchase	18,000	...
Drawings	84,000	...
Insurance Premium	15,000	...
Investment	40,000	...
Income from Investment	...	1,600
12% Bank Loan (Taken on 01.04.2014)	...	2,00,000
Interest on Bank Loan	16,000	...
Bad Debt	1,200	...
Capital	...	1,40,700
	13,31,000	13,31,000

Other information:

- Closing Stock as on 31.12.2014 was valued at ₹ 54,000.
- Outstanding salaries on 31.12.2014 ₹ 2,400.
- Goods costing ₹ 12,000 destroyed by fire and against which insurance claim admitted by the Insurance Company is ₹ 9,000. The cheque for which is yet to be received.
- Charge depreciation @ 10% p.a. on Furniture and Building and @ 25% p.a. on Motor Vehicles under Diminishing Balance Method.

From the above Trial Balance and other information, prepare a Trading and Profit and Loss Account of Ghose Electricals for the year ended on 31.12.2014 and a Balance Sheet as on that date.

(3 + 4 + 3)

Answers

GROUP-A

1. (i) (d); (ii) (a); (iii) (b); (iv) (b); (v) (b); (vi) (a); (vii) (c); (viii) (a); (ix) (c); (x) (b); (xi) (c); (xii) (d); (xiii) (b); (xiv) (d); (xv) (c); (xvi) (d); (xvii) (b); (xviii) (c); (xix) (d); (xx) (c); (xxi) (c); (xxii) (b); (xxiii) (a); (xxiv) (a).

GROUP-B

2. (i) Liability means amount owed, *i.e.*, payable by the entity. It may be towards the proprietor or partners (called capital) or towards outsiders, *i.e.*, other than proprietor or partners.

OR

Revenue means the amount which, as a result of its business operations, *i.e.*, sale of goods and services, is earned by an enterprise.

- (ii) The main objective of accounting standards is to minimise the diverse accounting policies and practices with an aim to bring harmony and uniformity in accounting practices.

OR

Accounting Standards provide the rules on the basis of which Financial Statements should be prepared.

- (iii) Going Concern Concept is a concept under which it is assumed that business will continue for a foreseeable period and there is no intention to close the business or scale down its operations significantly.

OR

Accounting Entity Concept is a concept under which business is considered to be separate and distinct from its owners, *i.e.*, proprietors, partners and shareholders.

- (iv) Double Entry System of Accounting is a system of accounting under which both, debit and credit, aspects of a transaction are recorded.

- (v) **Difference between Purchases Book and Purchases Account (Any one)**

<i>Basis</i>	<i>Purchases Book</i>	<i>Purchases Account</i>
1. Part	It is a part of Journal.	It is a part of Ledger.
2. Format	Like Ledger Account, it does not have debit and credit columns.	It has debit and credit columns.
3. Contents	Only credit purchases of goods dealt in or consumed for production are recorded.	Credit as well as cash purchases of goods dealt in or consumed for production are recorded.
4. Amount	Total of Purchases Book is posted to the Purchases Account.	Balance in the account is transferred to the Trading Account.

- (xi) Software is a set of instructions on the basis of which a computer operates. It may be of three types:

Operating Software. It is a specialised program that makes interface between the user and computer hardware.

Utility Software. It is a set of program used for performing supporting operations such as Disk Defragmenters, Anti Virus, Backup, etc.

Application Software. These softwares are designed and developed for performing specific jobs such as Tally for Accounting, Word, Excel, etc.

OR

Hardware is that part of computer which has physical existence such as Keyboard, CPU, Monitor, etc.

- (xii) The advantage of Computerised Accounting System is that it can store and process large number of transactions.

GROUP-C

3. (i) RECTIFYING JOURNAL ENTRIES

Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
(a)	Returns Inward A/c ...Dr. To Suspense A/c (Being the error caused by undercasting of Returns Inward Book, now rectified)		2,000	2,000
(b)	Furniture A/c ...Dr. To Purchases A/c (Being the Almira purchased wrongly recorded in Purchases Day Book, now rectified)		12,000	12,000
(c)	Debtors A/c ...Dr. To Bad Debts Recovered A/c (Being the amount of bad debts recovered wrongly credited to Debtors Account, now rectified)		700	700
(d)	Machinery A/c ...Dr. To Wages A/c (Being the wages paid for installation of machinery wrongly debited to Wages Account, now rectified)		2,000	2,000

- (ii) **General Reserve** is the amount of reserve set aside out of profit not for a specific purpose. It may be used to meet a contingency or expansion of business. Such reserves are generally made to strengthen the financial position.

Specific Reserve, on the other hand, is that reserve which is set aside out of profit for a specific purpose. For example, Workmen Compensation Reserve is a reserve to meet liabilities to compensate the employees against their claim. Investment Fluctuation Reserve is created to meet the fall in the value of investments.

OR

Dr.			MACHINERY ACCOUNT			Cr.		
Date	Particulars	₹	Date	Particulars	₹			
2013			2013					
July 1	To Cash/ Bank A/c	60,000	Dec. 31	By Depreciation A/c	6,333			
Sep. 1	To Cash/Bank A/c	1,00,000		(10% of ₹ 60,000 for 6 months)				
				(10% of ₹ 1,00,000 for 4 months)				
				By Balance <i>c/d</i>	1,53,667			
		1,60,000			1,60,000			
2014			2014					
Jan. 1	To Balance <i>b/d</i>	1,53,667	June 1	By Depreciation A/c	2,500			
				By Cash/Bank A/c	32,000			
				By Loss on Sale of Machinery A/c	22,500			
				(Profit and Loss A/c)				
			Dec. 31	By Depreciation A/c	10,000			
				By Balance <i>c/d</i>	86,667			
		1,53,667			1,53,667			
2015								
Jan. 1	To Balance <i>b/d</i>	86,667						

(iii)

In the Books of Diya

JOURNAL

Date	Particulars	L.F.	Dr. ₹	Cr. ₹
2014				
Feb. 1	Ria ...Dr. To Sales A/c (Being the goods sold)		20,000	20,000
Feb. 4	Bill Receivable A/c ...Dr. To Ria (Being the bill for 3 Months accepted by Ria)		20,000	20,000
Mar. 4	Bank A/c ...Dr. Discounting Charges A/c ...Dr. To Bill Receivable A/c (Being the bill discounted with bank @ 8% p.a.)		19,733 267	20,000
May 7	Ria ...Dr. To Bank A/c (Being the bill not met by Ria on due date and bank paid Noting Charges of ₹ 100)		20,100	20,100

OR

A Bill of Exchange is an instrument in writing containing an unconditional order signed by the maker, directing a certain person to pay a certain sum of money only to, or to the order of, a certain person or to the bearer of the instrument.

Features of Bill of Exchange are:

- (a) Bill of Exchange is a written order.
 - (b) It is drawn and signed by the maker, *i.e.*, drawer of the bill.
 - (c) It is an unconditional order to a person, *i.e.*, drawee, to pay the specified amount. The drawee must accept it to make it a legitimate document.
 - (d) The specified amount is payable to the person named in the bill or to his order or to the bearer.
 - (e) It specifies the date by which the amount should be paid.
 - (f) It is accepted by the drawee.
- (iv) Accounting function being carried out by means of accounting software, *i.e.*, Computers minimises human intervention but it does not completely eliminates it. Human intervention is limited to preparation of voucher and feeding the same in the accounting software.

The process of classifying (posting) into the Ledger Account, summarising and balancing the accounts and preparation of financial statements (Trading, Profit and Loss Account and Balance Sheet) is carried out by the computer itself because the software is designed to perform these functions. Thus, it reduces considerable time in maintenance of accounts as compared to Manual Accounts. The process of automation becomes effective, if grouping of accounts is proper. Incorrect grouping of accounts will lead to incorrect classification, summarisation and preparation of financial statements.

GROUP-D**4. (i) PURCHASES DAY BOOK**

Date	Particulars	L.F.	Invoice No.	Details ₹	Cost ₹	Sales Tax ₹	Freight ₹	Total ₹
2014								
July 15	B.K. Electricals 100 Tubelights @ ₹ 30 each 200 CFL Bulbs @ ₹ 110 each Less: Trade Discount @ 10% Add: Packing and forwarding charge			3,000 22,000 25,000 2,500 22,500 150 22,650	22,500	...	150	22,650
July 22	Bhatia & Co. 10 Mixer Grinders @ ₹ 2,500 each Less: Trade Discount @ 20% Add: Sales Tax @ 15%			25,000 5,000 20,000 3,000 23,000	20,000	3,000	...	23,000
July 30	Gagan Bros. 50 Fans @ ₹ 3,200 each Less: Trade Discount @ 20% Add: Sales Tax @ 15% Add: Freight Charges			1,60,000 32,000 1,28,000 19,200 1,47,200 500 1,47,700	1,28,000	19,200	500	1,47,700
July 31					1,70,500	22,200	650	1,93,350

OR

Dr.		REDRAFTED TRIAL BALANCE	Cr.	
Particulars	₹	Particulars	₹	
Opening Stock	34,200	Return Outward	16,000	
Salaries	12,000	Creditors	28,000	
Bank	45,000	Commission Received	3,000	
Carriage Inward	6,000	Bills Payable	10,000	
Discount Allowed	2,000	Capital	45,200	
Purchases	1,00,000	Discount Received	4,000	
Debtors	15,000	Sales	1,50,000	
Carriage Outward	5,000			
Machinery	18,000			
Returns Inward	3,000			
General Expenses	6,000			
Furniture	10,000			
	2,56,200		2,56,200	

(ii) Difference between Receipts and Payments Account and Income and Expenditure Account

<i>Basis</i>	<i>Receipts and Payments Account</i>	<i>Income and Expenditure Account</i>
1. Purpose	Purpose of this account is to show the difference between two sides denoting the Cash/Bank balance at the end.	Purpose of this account is to show net result of the activities undertaken during the year resulting in surplus or deficit.
2. Nature	It is a classified summary of cash transactions showing receipts and payments under different heads for the period (Real Account).	It is like a Profit and Loss Account (Nominal Account).
3. Form	Debit side of this account records receipts and credit side records payments.	Debit side of this account records expenses and losses and credit side records incomes.
4. Balance	Balance in the beginning means cash in hand and bank balance in the beginning and balance at the end means cash in hand and bank balance at the end.	There is no balance in the beginning. Balance at the end means either surplus or deficit.
5. Capital and Revenue Items	It records receipts and payments during the year of both capital and revenue items.	It records income and expenditure of only revenue items relating to the accounting period.
6. Contents	It shows receipts and payments made during the year whether they relate to past, current or succeeding year.	It shows incomes and expenditures of the current year only.
7. Adjustments	It is based on cash system of accounting. Hence, no adjustments are made.	It is based on accrual system of accounting. Hence, adjustments are made.
8. Depreciation	It does not record non-cash items, e.g., depreciation.	It records non-cash items, e.g., depreciation.

OR
INCOME AND EXPENDITURE ACCOUNT

Dr.	for the year ended 31st December, 2014		Cr.
Particulars	₹	Particulars	₹
To Salaries	1,400	By Subscriptions	1,000
Add: Outstanding	100	Add: Outstanding	250
To General Expenses	300	By Sale of Newspapers	150
To Electric Charges	200	By Miscellaneous Receipts	100
To Newspapers	350	By Rent (Club Hall)	4,000
To Repairs (Carrom Board)	600		
To Maintenance Expenses (Club Hall)	1,100		
To Depreciation:			
Building	1,000		
Furniture	200		
To Surplus (Excess of Income Over Expenditure)	250		
	5,500		5,500

(iii)

Dr.	DEBTORS ACCOUNT		Cr.
Particulars	₹	Particulars	₹
To Balance b/d	12,100	By Cash/Bank A/c	64,000
To Sundry Charges A/c	400	By Bills Receivable A/c	5,000
To Sales A/c—Credit Sales (Balancing Figure)	80,500	By Bad Debts A/c	2,000
		By Discount Allowed A/c	800
		By Returns Inward A/c	1,200
		By Balance c/d	20,000
	93,000		93,000

Thus, Credit Sales for the year is ₹ 80,500.

OR

Single Entry system of accounting is a system of accounting under which Cash Book and accounts of Debtors and Creditors are maintained. Since Real and Nominal Accounts are not maintained, it is known as Single Entry system of Accounting.

Limitations of Single Entry System: Single Entry System is an incomplete and insufficient system of information, hence it has following limitations:

- (a) *Arithmetical Accuracy cannot be Proved:* Trial Balance cannot be prepared hence, arithmetical accuracy of books cannot be proved or tested. Chances of error, mischief or fraud remaining undetected are high.
- (b) *No Control on Assets:* Since Asset Accounts are not maintained, it is difficult to keep full control, in order to avoid misappropriations of assets.

BALANCE SHEET
as at 31st December, 2014

Liabilities	₹		Assets		₹
Capital	1,40,700		Furniture	42,000	
Add: Net Profit	65,700		Less: Depreiation	4,200	37,800
	2,06,400		Building	1,40,000	
Less: Drawings	84,000	1,22,400	Less: Depeciation	14,000	1,26,000
Bank Loan	2,00,000		Motor Vehicles	80,000	
Add: Outstanding Interest	2,000	2,02,000	Less: Depreciation	20,000	60,000
Creditors		52,000	Investments		40,000
Bank Overdraft		36,000	Debtors		70,000
Salaries Outstanding		2,400	Closing Stock		54,000
			Cash in Hand		18,000
			Insurance Company		9,000
		4,14,800			4,14,800