



31st march ,2005:

	<b>Rs</b>
<b>2005</b>	
Sep 1 Cash in hand	13,750
Sep 2 Cash at Bank	73,400
Sep 3 Received from Mr A cash Rs 2,200 and a cheque Rs 4,200, allowed discount Rs 500	
Sep 7 Paid Rent by cheque	26,600
Sep 9 Withdraw cash from bank for office use	22,900
Sep 12 Interest paid o bank balance	2,200
Sep 16 Purchased furniture in cash	17,500
Sep 21 Paid M and Company by chequr, dicount received Rs 200	11,900
Sep 25 Proprietor withdrew for office for his personal use	
Sep 27 Sold goods to Akbar for cash	12,600
Sep 30 deposited office cash into bank	15,800
	22,200

- 9) Comment on the position of company after calculating following ratios from the following: 1. Current ratio 2. Debt-equity ratio 3. earning per share 4. Working capital turnover ratio 5. Liquid ratio 6. operating profit ratio.

K5(15)

**Balance-sheet as on 31-3-95**

<b>Capital +Liabilities</b>	<b>RS</b>	<b>Asset</b>	<b>Rs</b>
Capital of Rs 10 each	70,000		
Reserves	80,000	Fixed asset	90,000
Secured loans	22,000	Current asset	1,10,000
Current liabilities	26,000	Loans and advances	52,000
Provisions	54,000		
	<b>2,52,000</b>		<b>2,52,000</b>

**Trading and Profit and Loss account for the year ended**

<b>Particulars</b>	<b>Amount</b>	<b>Paticulars</b>	<b>Amount</b>
	44,000		
	84,000		
	40,000		
To opening stock	32,000		
To purchases	8,000		
To wages	6,000		
To factory expenses			
To administrative expenses	2,000		
To selling expenses		By sales	2,10,000
To managerial remuneration	2,000	By closing stock	46,000
To transfer to reserve			
To income-tax	2,000		
To proposed dividend			
To Net profit after tax and dividend	22,000		
	6,000		
	10,000		
	<b>2,56,000</b>		<b>2,56,000</b>

- 10) The following balances are drawn from the books of M/s Arvind Mills as on 31-12-1997. Table. Adjustments: (a) Closing stock is Rs.30,000 (b) Provide for depreciation @ 10 % on buildings. (c) Write off further bad debts – Rs. 1,000 (d) Salaries yet to be paid-

K6(18)

Rs. 3,000 You are required to prepare a trading and profit & loss a/c and balance sheet of M/s Arvind Mills.

Account	Amount
Land	1,00,000
Sales	3,00,000
Building	2,00,000
Purchases	1,75,000
Sales returns	10,000
Stock (1-1-97)	25,000
Purchase returns	5,000
Debtors	50,000
Bank overdraft	15,000
Cash in hand	5,000
Creditors	20,000
Salaries	10,000
Wages	12,000
Goodwill	15,000
General expenses	5,000
Selling expenses	12,000
Bad debts	1,000
Insurance	1,000
Capital	2,81,000