

## Solutions to RAC/Set-2

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1. (c) ₹ 21,400
2. (b) Both (A) and (R) are true, but (R) is not the correct explanation of (A).
3. (b) ₹ 9

Or

- (d) ₹ 70,00,000
4. (c) ₹ 15,000, and ₹ 10,000

Or

- (d) None of these
5. (c) ₹ 12,000

	Interest on Capital	Salary
Amit	₹ 5,000	–
Sumit	₹ 10,000	₹ 20,000
Ratio of Appropriations =	₹ 15,000	₹ 20,000

or 3 : 4

$$\text{Sumit's salary} = \frac{4}{7} \times ₹ 21,000 = ₹ 12,000$$

6. (c) 95% [(₹ 100 – Discount per debenture)]

$$\text{Discount per debenture} = \frac{\text{Total Amount used to write off Discount}}{\text{Total No. of Debentures}} = \frac{₹ 2,00,000}{40,000} = ₹ 5]$$

Or

$$(d) 15\% \left[ \frac{\text{Total Amount used to write off Loss on issue of Debenture}}{\text{Total No. of Debentures}} = \frac{₹ 6,00,000}{40,000} = ₹ 15 \text{ i.e. } 15\% \right]$$

7. (b) ₹ 76,000
8. (b) ₹ 1,56,000

Or

(b) ₹ 3,02,000

9. (c) ₹ 30,000
10. (b) ₹ 1,08,000
11. (b) Credited to Capital reserve
12. (a) Surplus capital to be withdrawn by A ₹ 10,000 and Deficit Capital to be brought in by B ₹ 5,000.
13. (d) ₹ 2,50,000
14. (b) writing off capital losses
15. (a) ₹ 12,000

Or

(c) (iii) ; (ii) ; (i) ; (iv)

16. (b) Profit and loss Appropriation Account.

17.

## In the Books of Snoopy, Emily and Maria

## Journal

Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
(i)	Snoopy's Capital A/c Emily's Capital A/c To Goodwill A/c (Being old goodwill written off)	Dr. Dr.	15,000 6,000	21,000
(ii)	Cash A/c To Maria's Capital A/c To Premium for Goodwill (Being the capital and premium for goodwill brought in by the new partner)	Dr.	1,49,000	1,00,000 49,000
(iii)	Premium for Goodwill A/c Emily's Capital A/c To Snoopy's Capital A/c (Being the entry passed for goodwill to compensate the sacrificing partner)	Dr. Dr.	49,000 35,000	84,000

**Working Notes:**

Sacrifice/gain:

$$\text{Snoopy} = 5/7 - 13/35 = \frac{25-13}{35} = 12/35 \text{ (Sacrifice)}$$

$$\text{Emily} = 2/7 - 15/35 = \frac{10-15}{35} = -5/35 \text{ (Gain)}$$

$$\text{Maria} = 1/5 \text{ (Gain)}$$

$$\text{Premium brought by Maria} = ₹ 49,000$$

$$\text{Goodwill of the firm} = ₹ 49,000 \times 5 = ₹ 2,45,000$$

$$\text{Amount to be compensated by Emily to Snoopy for goodwill} = ₹ 2,45,000 \times 5/35 = ₹ 35,000$$

18.

**Profit & Loss Appropriation Account**

Dr.

for the year ended on 31st March, 2024

Cr.

Particulars	Amount (₹)	Particulars	Amount (₹)
To Interest on Capital:		By Profit and Loss A/c (Net Profit)	68,000
Radha	8,400		
Shyam	6,000		
Rukmini	4,800		
	19,200		
To Share in Profit:			
Radha's Capital A/c			21,960
Shyam's Capital A/c	14,640		
Less: Rukmini's Share	(1,000)		13,640
Rukmini's Capital A/c	12,200		
Add: Shyam's Share	1,000		13,200
	68,000		68,000

**Working Notes:**

(Firm's Profit) 1 – (Rukmini's share) 1/4 = (Joint share of Radha and Shyam) 3/4

This joint share will be divided between Radha and Shyam in their old ratio i.e. 3 : 2.

Radha's new share =  $3/4 \times 3/5 = 9/20$ ; Shyam's new share =  $3/4 \times 2/5 = 6/20$

New Ratio: Radha = 9/20, Shyam = 6/20, Rukmini = 1/4 or 5/20 i.e. 9 : 6 : 5.

<b>Distribution:</b>	(₹)
Firm's Profit	68,000

(-) Interest on Capitals:

Radha	8,400	
Shyam	6,000	
Rukmini	4,800	19,200
		<u>19,200</u>

Net divisible profit 48,800

Radha's share: ₹ 48,800 × 9/20 = ₹ 21,960

Shyam's share: ₹ 48,800 × 6/20 = ₹ 14,640

Rukmini's share: ₹ 48,800 × 5/20 = ₹ 12,200

Actual total of interest and profit of Rukmini = ₹ 4,800 + ₹ 12,200 = ₹ 17,000

But, since Shyam has given guarantee of ₹ 18,000, ₹ 1,000 will be deducted from his share and will be added to Rukmini's share.

Or

**Adjustment Entry**

Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
2024 April 1	Bishan's Capital A/c Dr. To Aman's Capital A/c (Being omission of interest on capital and drawings rectified.)		288	288

**Working Notes:**

Particulars	Aman (₹)	Bishan (₹)
Capital at the end	30,000	10,000
Less: Profit (already credited 3 : 2)	4,800	3,200
Add: Drawings (not to be added because the closing capital balances are given before deducting drawings)	—	—
Capital at the Beginning	25,200	6,800
Interest on opening capital @ 5% p.a.	1,260	340

Interest on drawings:

Aman's Drawings for 6 months @ 6% p.a. = ₹ 4,000 × 6/100 × 6/12 = ₹ 120

Bishan's Drawings for 6 months @ 6% p.a. = ₹ 2,000 × 6/100 × 6/12 = ₹ 60

**Adjustment Table**

Particulars	Aman (₹)	Bishan (₹)	Total (₹)
Interest on Capital to be received	1,260 Cr.	340 Cr.	1,600
Interest on Drawings to be charged	120 Dr.	60 Dr.	180
Net amount that should have been received	1,140 Cr.	280 Cr.	1,420
₹ 1,420 already received as profit (3:2)	852 Dr.	568 Dr.	1,420
Net Rectification	288 Cr.	288 Dr.	—

19.

## Journal of Accounts Guru

Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
	Assets A/c Dr.		40,00,000	
	To Liabilities A/c			6,50,000
	To Ginny Ltd. A/c			32,00,000
	To Capital Reserve A/c			1,50,000
	(Being Business taken over and capital reserve recorded)			
	Ginny Limited A/c Dr.		32,00,000	
	Loss on Issue of Debentures A/c Dr.		4,50,000	
	To 8% Debentures A/c			30,00,000
	To Premium on redemption of Debentures			1,50,000
	To Bank A/c			5,00,000
	(Being purchased consideration discharged)			

Or

## Journal

Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
	Share Capital A/c Dr.		56,000	
	To Shares Forfeited A/c			40,000
	To Calls-in-arrears A/c			16,000
	(Being Shares forfeited)			
	Bank A/c Dr.		10,000	
	Shares Forfeited A/c Dr.		25,000	
	To Share Capital A/c			35,000
	(Being 5000 shares reissued at discount)			

20.

## In the Books of A, B and C

Dr.		Journal		Cr.	
Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)	
2024	General Reserve A/c Dr.		45,000		
April, 1	Workmen Compensation Reserve A/c Dr.		30,000		
	To A's Capital A/c			45,000	
	To B's Capital A/c			22,500	
	To C's Capital A/c			7,500	
	(Being general reserve and workmen compensation reserve transferred to partners capital account in old ratio)				
April, 1	A's Capital A/c Dr.		18,000		
	B's Capital A/c Dr.		9,000		
	C's Capital A/c Dr.		3,000		
	To Profit and Loss A/c			12,000	
	To Advertisement Suspense A/c			18,000	
	(Being advertisement suspense and profit and loss balances transferred to partners capital account in old ratio)				

21.

**Balance Sheet of Chetan Ltd.**  
as at 31<sup>st</sup> March, .....

Particulars	Note No.	Current Year (₹)	Previous Year (₹)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds:</b>			
Share Capital	1	35,00,000	
<b>Non-Current Liabilities:</b>			
Long-term Borrowings	2	10,00,000	
		45,00,000	
<b>ASSETS</b>			
<b>Non-Current Assets:</b>			
Fixed Assets	3	10,00,000	
<b>Current Assets:</b>			
Cash and Cash Equivalents	4	35,00,000	
		45,00,000	

**Notes to Accounts:**

Note No.	Particulars	Amount (₹)
1.	<b>Share Capital</b>	
	<i>Authorised Capital:</i>	
	50,000 Equity shares of ₹ 100 each	50,00,000
	<i>Issued Capital:</i>	
	35,000 Equity shares of ₹ 100 each	35,00,000
	<i>Subscribed and fully paid capital:</i>	
	35,000 Equity shares of ₹ 100 each fully called up	35,00,000
	(10,000 Equity shares issued to vendor against purchase of machinery)	
2.	<b>Long-term Borrowings</b>	
	Term-loan from bank	10,00,000
	(Secured by the issue of 8% Debentures of ₹ 100 each)	
3.	<b>Fixed Assets</b>	
	Machinery	10,00,000
4.	<b>Cash and Cash Equivalents</b>	
	Cash at Bank	35,00,000

22.

**In the Books of A, B and C**  
**Journal Entries**

Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
2024 Sep 30	A's Capital A/c	Dr.	<b>6000</b>	
	B's Capital A/c	Dr.	<b>4000</b>	
	To C's Capital A/c			10,000
	(Being treatment of goodwill on death of C)			
Sep 30	Profit and Loss Suspense A/c	Dr.	<b>6,500</b>	
	To C's Capital A/c			<b>6,500</b>
	(Being C's share of profit till the time of his death)			

Sep 30	Revaluation A/c To A's Capital A/c To B's Capital A/c To C's Capital A/c (Being distribution of profit on revaluation in partners old ratio)	Dr.		<b>9000</b>	4,500 <b>3,000</b> 1,500
Sep 30	C's Capital A/c To Cash A/c To C's Loan A/c (Being 50% paid immediately and balance transfer to his loan A/c)	Dr.		<b>50,000</b>	25,000 <b>25,000</b>

23.

**In the books of Malabar Ltd.  
Journal**

Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
(i)	Bank A/c To Equity Share Application A/c (Being application money received on 1,50,000 shares @ ₹ 2 each)	Dr.	3,00,000	3,00,000
(ii)	Equity Share Application A/c To Equity Share Capital A/c To Equity Share Allotment A/c To Bank A/c (Being application money adjusted)	Dr.	3,00,000	1,50,000 1,00,000 50,000
(iii)	Equity Share Allotment A/c To Equity Share Capital A/c To Securities Premium (Being the allotment money due on 75,000 shares @ ₹ 5 per share including premium of ₹ 2 per share)	Dr.	3,75,000	2,25,000 1,50,000
(iv)	Bank A/c To Equity Share Allotment A/c (Being allotment money received, i.e., ₹ 3,75,000 – ₹ 1,00,000 – ₹ 2,750 (WN-i))	Dr.	2,72,250	2,72,250
(v)	Equity Share First and Final Call A/c To Equity Share Capital A/c (Being the first and final call money due on 75,000 shares @ ₹ 5 per share)	Dr.	3,75,000	3,75,000
(vi)	Bank A/c To Equity Share First and Final Call A/c (Being the first call money received except on 1,750 shares)	Dr.	3,66,250	3,66,250
(vii)	Equity Share Capital A/c [1750(s) × ₹ 10] Securities Premium A/c [750(s) × ₹ 2] To Share Forfeiture A/c {[1250(s) × ₹ 2] + [1000(s) × ₹ 5]} To Equity Share Allotment A/c (WN-i) To Equity Share First and final Call A/c [1750(s) × ₹ 5] (Being shares forfeited for non-payment of allotment and call)	Dr. Dr.	17,500 1,500	7,500 2,750 8,750

(viii)	Bank A/c	Dr.	7,000	
	Share Forfeiture A/c	Dr.	3,000	
	To Equity Share Capital A/c			10,000
	(Being 1,000 of the forfeited shares reissued @ ₹ 7 per share fully paid-up)			
(ix)	Share Forfeiture A/c	Dr.	750	
	To Capital Reserve A/c (WN-ii)			750
	(Being balance of share forfeiture transferred to Capital Reserve A/c)			

**Working notes:**

(i) No. of Shares Alloted to Rama =  $1,250 \times \frac{75,000}{1,25,000} = 750$  Shares

	₹
Allotment due from Rama [750(s) × ₹ 5]	= 3,750
Less: Excess Money Adjusted on Allotment [500(s) × ₹ 2]	= (1,000)
Allotment unpaid by Rama	<u>2,750</u>

(ii) **Calculation of Capital Reserve**

	₹
Amount forfeited from Rama [1250(s) × ₹ 2]	= 2,500
Less: Loss on reissue of his shares [750(s) × ₹ 3]	= 2,250
Gain on reissue of Rama's shares	= 250
Add: Gain on Kirti's shares $\left[ \frac{₹ 500}{1,000(s)} \times 250(s) - 250(s) \times ₹ 3 \right]$	= 500
Capital Reserve	<u>750</u>

∴ Amount forfeited from Kirti = (1000(s) × ₹ 5) = 5,000

Reissue shares of Kirti = 1,000 – 750 (Rama's Shares) = 250 shares

Or

(i) **Journal of Vijay Ltd.**

Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
(a)	7% Debentures Allotment A/c [40,000(D) × ₹ 64] Dr.		25,60,000	
	Loss on Issue of Debentures A/c [40,000(D) × ₹ 11] Dr.		4,40,000	
	To 7% Debentures A/c [40,000(D) × ₹ 70]			28,00,000
	To Premium on Redemption of Debentures A/c [40,000(D) × ₹ 5]			2,00,000
	(Being allotment money due on 7% debentures issued of 6% discount and repayable at 5% premium)			
(b)	Bank A/c Dr.		25,60,000	
	To 7% Debentures Allotment A/c			25,60,000
	(Being allotment money received)			

(ii) **Dr. Loss on issue of Debentures Account Cr.**

Date	Particulars	Amount (₹)	Date	Particulars	Amount (₹)
Year Beginning	To 7% Debentures A/c	2,40,000	Year Ending	By Statement of Profit and Loss	4,40,000
	To Premium on Redemption of debentures A/c	2,00,000			
		4,40,000			4,40,000

(iii)

**Journal**

Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
	Statement of Profit and Loss To Interest on Debentures A/c (Being interest on debentures written off)	Dr.	2,80,000	2,80,000

24.

**In the Books of X, Y and Z****Dr. Revaluation Account Cr.**

Particulars	Amount (₹)	Particulars	Amount (₹)
To Stock A/c	500	By Land and Building A/c	2,300
To Provision for doubtful debts A/c (5% of ₹ 5,000 – ₹ 100)	150		
To Outstanding claim for damages A/c	750		
To Profit transferred to Capital A/cs:			
X	375		
Y	300		
Z	225		
	900		
	2,300		2,300

**Dr. Partners' Capital Accounts Cr.**

Particulars	X (₹)	Y (₹)	Z (₹)	Particulars	X (₹)	Y (₹)	Z (₹)
To Y's Capital A/c (Goodwill)	1,350	–	4,050	By Balance b/d	25,000	20,000	15,000
To Y's Loan A/c	–	25,700	–	By X's Capital A/c (Goodwill)	–	1,350	–
To Balance c/d (Bal. fig.)	24,025	–	11,175	By Z's Capital A/c (Goodwill)	–	4,050	–
				By Revaluation A/c	375	300	225
	25,375	25,700	15,225		25,375	25,700	15,225

**Working Note:**

Gaining ratio = New ratio – Old ratio

X's gaining ratio =  $1/2 - 5/12 = 1/12$ Z's gaining ratio =  $1/2 - 3/12 = 3/12$ **Or****In the Book of Neha, Preeti and Chandra****Dr. Revaluation Account Cr.**

Particulars	Amount (₹)	Particulars	Amount (₹)
To Provision for Bad Debts A/c (₹ 1,750 – ₹ 1,400)	350	By Furniture A/c	1,200
To Stock A/c	1,250	By Loss transferred to Capital A/cs:	
To Machinery A/c	1,400	Neha	900
		Preeti	900
	3,000		1,800
			3,000



Dr.

## Partners' Capital Accounts

Cr.

Particulars	Neha (₹)	Preeti (₹)	Chandra (₹)	Particulars	Neha (₹)	Preeti (₹)	Chandra (₹)
To Revaluation A/c	900	900	–	By Balance b/d	35,000	25,000	–
To Furniture A/c	600	600	–	By Cash A/c	–	–	50,000
To Balance c/d (Bal. fig.)	41,375	31,375	50,000	By Premium for Goodwill A/c	3,750	3,750	–
				By Investment Fluctuation Reserve A/c	4,125	4,125	–
	42,875	32,875	50,000		42,875	32,875	50,000

25.

Books of Varun and Vivek Journal  
Journal

Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
(i)	Realisation A/c To Varun's Capital A/c (Being payment of creditors by Varun)	Dr.	18,500	18,500
(ii)	Realisation A/c To Vivek's Capital A/c (Being wife's loan taken over by Vivek)	Dr.	70,000	70,000
(iii)	Cash/Bank A/c To Realisation A/c (Being realisation of unrecorded investments)	Dr.	1,60,000	1,60,000
(iv)	Varun's Capital A/c To Realisation A/c (Being stock taken over by Varun at 10% discount)	Dr.	90,000	90,000
(v)	Cash/Bank A/c To Realisation A/c (Being bad debts recovered)	Dr.	1,400	1,400
(vi)	Realisation A/c To Vivek's Capital A/c (Being expenses of realisation paid by Vivek)	Dr.	4,900	4,900

26. (i) (c) 3,70,000 shares                      (ii) (a) 3,55,000 shares                      (iii) (b) ₹ 66,000  
 (iv) (b) ₹ 8,000                                      (v) (c) ₹ 24,000                                      (vi) (d) ₹ 35,48,000
27. (c) Inflow of ₹ 8,000

Or

(b) An outflow of ₹ 7,50,000

28. (a) ₹ 45,00,000

29. (d) Current liabilities

Or

$$(a) 80\% \left[ \frac{₹ 7,20,000}{₹ 9,00,000} \times 100 \right]$$

30. (b) Both the Statements are false.

31.	Particulars	Major head	Sub-head
	(i) Current maturities of long-term debts	Current Liabilities	Short-term Borrowings
	(ii) Rent due but not paid	Current Liabilities	Other Current Liabilities
	(iii) Provision for Tax	Current Liabilities	Short-term Provisions
	(iv) Unsold goods	Current Assets	Inventory
	(v) Cash credit	Current Liabilities	Short-term Borrowings
	(vi) Unexpired insurance premium	Current Assets	Other Current Assets

32. **Common-Size Income Statement**  
for the year ended 31st March, 2023 and 2024

Particulars	Note No.	Absolute value		Percentage of Revenue from Operations	
		31st March 2023 (₹)	31st March 2024 (₹)	31st March 2023	31st March 2024
I. Revenue from Operations		6,00,000	9,00,000	100%	100%
II. Other Income		1,20,000	1,08,000	20%	12%
III. Total Revenue		7,20,000	10,08,000	120%	112%
IV. Expenses:					
Cost of Material Consumed		3,00,000	5,40,000	50%	60%
Other expenses		60,000	60,000	10%	6.6%
V. Total Expenses		3,60,000	6,00,000	60%	66.6%
VI. Profit before Tax (III – V)		3,60,000	4,08,000	60%	45.33%
VII. Less: Tax		1,44,000	1,63,200	24%	18.13%
VIII. Profit after Tax (VI – VII)		2,16,000	2,44,800	36%	27.2%

33. (a) Interest Coverage Ratio =  $\frac{\text{Profit before Interest and Tax}}{\text{Interest on Long Term Debt}} = \frac{19,60,000}{3,60,000} = 5.44 \text{ times}$

**Working notes:**

(i) Calculation of amount of interest.

(a) Interest on Debentures @ 12% on ₹ 20,00,000 = ₹ 2,40,000

(b) Interest on Loan from IDBI @ 10% on ₹ 12,00,000 = ₹ 1,20,000

Total Interest ₹ 2,40,000 + ₹ 1,20,000 = ₹ 3,60,000

(ii) Profit before Tax = ₹ 9,60,000 ×  $\frac{100}{60}$  = ₹ 16,00,000

(iii) Profit before Interest = ₹ 16,00,000 + ₹ 3,60,000 = ₹ 19,60,000

(b) Net Profit Ratio =  $\frac{\text{Net Profit} \times 100}{\text{Revenue from Operations}}$

Calculation of Net Profit:

If total Revenue from Operations is ₹ 100.

Cash Revenue is ₹ 10 and Credit Revenue from Operations is ₹ 90.

If Credit Revenue is ₹ 18,00,000, Total Revenue is ₹ 20,00,000.

Gross Profit 25% of ₹ 20,00,000 = ₹ 5,00,000

Net Profit = ₹ 5,00,000 – Indirect expenses ₹ 50,000 = ₹ 4,50,000

Net Profit Ratio =  $\frac{₹ 4,50,000}{₹ 20,00,000} \times 100 = 22.5\%$

Or

(a) Net Profit Before Interest and Tax = Profit after Tax + Tax + Interest

$$\text{Profit before Tax} = \frac{\text{₹ } 6,00,000}{80} \times 100 = \text{₹ } 7,50,000$$

Profit Before Interest and Tax = ₹ 10,00,000

Interest = Profit Before Interest and Tax – Profit Before Tax

$$= \text{₹ } 10,00,000 - \text{₹ } 7,50,000 = \text{₹ } 2,50,000$$

$$\text{Rate of Interest} = \frac{\text{₹ } 2,50,000}{\text{₹ } 25,00,000} \times 100 = 10\%$$

(b)	S. No.	Effect on Ratio	Reason
	(i)	No change	No change in both current assets and current liabilities
	(ii)	Decline	Current assets decrease with no change in current liabilities
	(iii)	Improve	Current assets increase with no change in current liabilities
	(iv)	Improve	Current assets increase with no change in current liabilities

34.

**Cash Flow Statement of Thermal Power Ltd.**

for the year ended 31st, March, 2024

S. No.	Particulars	Amount (₹)	Amount (₹)
<b>A.</b>	<b>Cash Flow from Operating Activities</b>		
	Net Profit before Tax and Extraordinary Items	1,10,000	
	Add: Non-Cash and Non-Operating Charges:		
	Goodwill written off	72,000	
	Depreciation on machinery	66,000	
	Loss on sale of machinery	2,000	
	Operating profit before working capital changes	2,50,000	
	Less: Increase in Current Assets and decrease in Current Liabilities:		
	Increase in trade receivables	(27,000)	
	Increase in inventories	(8,000)	
	Decrease in trade payables	(25,000)	
	Decrease in short-term provisions	(27,000)	
	Cash generated from Operating Activities	163,000	1,63,000
<b>B.</b>	<b>Cash Flow from Investing Activities</b>		
	Purchase of machinery	(2,94,000)	
	Sale of machinery	6,000	
	Cash used in investing activities	(2,88,000)	(2,88,000)
<b>C.</b>	<b>Cash Flow from Financing Activities</b>		
	Issue of share capital	1,00,000	
	Money raised from borrowings	70,000	
	Dividend paid	(10,000)	
	Cash flow from financing activities	1,60,000	1,60,000
<b>D.</b>	Net increase in cash and cash equivalents		35,000
<b>E.</b>	Add: Opening balance of cash and cash equivalents		5,25,000
<b>F.</b>	Closing balance of cash and cash equivalents		5,60,000

**Working Notes:**

(i) Net Profit before Tax and Extraordinary Items	(₹)
Surplus on 31st March 2024	3,00,000
Less: Surplus on 31st March 2023	(2,00,000)
	<u>1,00,000</u>
Add: Proposed dividend of 2023	10,000
Net profit before tax and extraordinary items	<u>1,10,000</u>

**(ii) Dr. Machinery Account Cr.**

Particulars	Amount (₹)	Particulars	Amount (₹)
To Balance b/d	10,00,000	By Bank A/c	6,000
To Bank A/c (Bal. fig. being purchase)	2,94,000	By Accumulated Depreciation A/c	16,000
		By Statement of Profit and Loss	2,000
		By Balance c/d	12,70,000
	<u>12,94,000</u>		<u>12,94,000</u>

**(iii) Dr. Accumulated Depreciation Account Cr.**

Particulars	Amount (₹)	Particulars	Amount (₹)
To Machinery A/c	16,000	By Balance b/d	1,50,000
To Balance c/d	2,00,000	By Depreciation A/c (Bal. fig.)	66,000
	<u>2,16,000</u>		<u>2,16,000</u>

**(iv) Cash and Cash Equivalents:**

	31.3.2024 (₹)	31.3.2023 (₹)
Cash and Bank	3,20,000	3,75,000
Current Investments	2,40,000	1,50,000
	<u>5,60,000</u>	<u>5,25,000</u>