

- (2) Receipt and Payments during the year.

	Rs.
Receipt from customer	130000
Discount allowed to them	1000
Further capital introduced (1-7-2016)	5000
General expenses	3000
Drawings	6000
Payments to creditors	110000
Discount allowed by them	2000
Salary up to (30-11-2016)	11000
Rent up to (30-11-2016)	2200

- (3) Sales and purchases are made on credit. Purchase during the year amounted Rs. 107000.
- (4) No Ready figures of sales are available but Rahul maintains a steady gross profit rate of 25% on sales.
- (5) Furniture to be depreciated by 10%.
- (6) Interest on capital is to be allowed at 5% per annum.
- Prepare necessary accounts.

OR

Q.4

- (A) Describe: Limitations of Single Entry System. (05)
- (B) Mr. Mevani does not maintain proper books of account. Following information are obtained from his books of account as on 1-1-2015. (10)

	Rs.
Creditors	75000
Bank balance	17500
Stock	52500
Cash balance	750
Debtors	61500
Furniture	3750

During the year 2015 his drawings was Rs. 18000. He brought additional capital of Rs. 25000 during the year. On 31st December 2015, some balances were as under.

	Rs.
Bills payable	12000
Cash balance	1500
Bills receivable	7500
Stock	63500
Creditors	67500
Bank Balance	13500
Debtors	72250
Furniture	3250

From the above mentioned information find out opening capital and closing capital of the business.