

Adjustments :

- (a) Closing Stock Rs. 4,900
- (b) Outstanding salaries Rs. 300.
- (c) Pre paid Rent Rs. 200
- (d) Insurance prepaid Rs. 90
- (e) Goods taken for own use Rs. 200 in the month of December.

14. From the following details, make out the balance sheet with as detail are possible :

- (a) Stock velocity 6
- (b) Capital turnover ratio 2
- (c) Fixed assets turnover ratio 4
- (d) Gross profit turnover ratio 20%
- (e) Debtor velocity 2 months
- (f) Creditor velocity 73 days

The gross profit was Rs. 60,000. Reserve and surplus amounts to Rs. 20,000. Closing stock was Rs. 5,000 in excess on opening stock.

15. Balance sheets of m/s ABI as on 1<sup>st</sup> Jan. and 31<sup>st</sup> December 2005 were as follows :

Liabilities	1-1-2005	31.12.05	Assets	1.1.2005	31.12.05
Capital	1,50,000	1,90,000	Cash	20,000	26,000
Loan	30,000	-	Debtors	54,000	76,000
Bank o/d	60,000	80,000	Stock	48,000	42,000
Creditors	50,000	56,000	Furniture	2,000	2,000
			Machinery	90,000	65,000
			Land	36,000	45,000
			Buildings	40,000	70,000
	<u>2,90,000</u>	<u>3,26,000</u>		<u>2,90,000</u>	<u>3,26,000</u>

During the year a machine costing Rs. 12,000 (accumulated depreciation Rs. 4,000) was sold for Rs. 5,500. The provision for depreciation against machinery as on 1-1-2005 and 31-12-2005 Rs. 24,000 and Rs. 37,000 respectively. Net profit for the year amounted to Rs. 60,000.

Prepare fund flow statement.

16. During the year 2005, Koki Ltd, produced 50,000 units of a product. The following were the expenses.

	Rs.
Stock of raw materials on 1-1-2006	10,000
Stock of raw materials on 31-12-2006	20,000
Purchases	1,60,000