

Q 7. (360) In the book of Saha  
Closing statement of Affair  
As on 31-3-18

liabilities	(₹)	Asset	(₹)
Closing balance of capital	171,500	Cash	20,000
		Stock	15,000
		Debtors	30,000
		premises	90,000
Creditors	18,500	vehicles	45,000
Bills payable	10,000		
	<u>200,000</u>		<u>200,000</u>

\* Working note

• Interest on Capital.

$$1) \text{ on opening balance} = 150,000 \times 5\% \cdot 1$$

$$[1-4-17 \text{ to } 31-3-18] = 7500$$

$$2) \text{ Additional Capital} = 10,000 \times \frac{5}{100} \times \frac{6}{12}$$

$$[1-10-17 \text{ to } 31-3-18] = 250$$

$$= 7500 + 250$$

$$= 7750$$

Statement of Profit & loss  
for the year ended 31-3-18

particular.		(₹)
<u>Closing balance of Capital</u>	1,71,500	
(+) <u>Drawing</u>	(+) 15,000	
(-) <u>Additional Capital 30<sup>th</sup> Sept, 2017</u>	(-) 10,000	
<u>Adjusted Capital</u>	1,76,500	
(-) <u>opening balance of Capital</u>	(-) 1,50,000	
<u>Gross profit</u>		26,500
(-) <u>Revenue Expenses or loss</u>		
i) Interest on Capital	7,750	
ii) Bad debts	500	
		(-) 8,250
		18,250
(+) <u>Revenue incomes or gains</u>		
i) Interest on drawings	375	
		(+) 375
<u>Net profit</u>		18,625

### Interest on Drawing

$$= 15000 \times \frac{25}{100} \times \frac{6}{12}$$

$$= 375$$

• If in problem date of drawing is not even and rate of interest given in p.a. formed, in such case interest on drawing will be charged only for 6 month.





Statement of Profit or Loss  
For the year ended 31-3-18

particular.		
	<u>Closing balance of Capital</u>	1,12,500
(+)	<u>Drawing</u>	(+) 5000
(-)	<u>Additional Capital</u>	(-) 3000
	<u>Adjusted Capital</u>	114,500
(-)	<u>Opening balance of Capital</u>	(-) 76,200
	<u>Gross profit</u>	38,300
(-)	<u>Revenues expenses or loss.</u>	
	i) Depreciation on furniture. 1000	
	[10% on 10,000]	
	ii) Depreciation on equipment 400	
	[5% on 8000]	(-) 1400
(+)	<u>Revenues income or gains</u>	
	<u>Net profit.</u>	38,900