

Q13. From the following information, prepare Balance Sheet of a trader as at 31st March, 2024 arranging the assets and liabilities – (i) in order of permanence and (ii) in order of liquidity:

Goodwill	20,000	Bank	20,000
Capital	1,80,000	Sundry Creditors	63,000
Liabilities for Expenses	1,200	Bills Receivable	13,000
Cash in Hand	1,000	Plant and Machinery	40,000
Investment	20,000	Provision for Doubtful Debts	2,500
Bills Payable	10,700	Closing Stock	80,000
Net Profit	92,600	Furniture	16,000
Sundry Debtors	50,000	Drawing	30,000
Land and Building	60,000		

Solution – in order Permanence Balance Sheet

As on March 31 2024

Liabilities		Amount	Assets		Amount
Capital	1,80,000		Goodwill		20,000
Add: Net Profit	92,600	2,42,600	Land and Building		60,000
Less: Drawings	30,000		Plant and Machinery		40,000
Liabilities for Expenses		1,200	Furniture		16,000
Sundry Creditors		63,000	Investment		20,000
Bills Payable		10,700	Closing Stock		80,000
			Sundry Debtors		47500
			50,000-2500		13,000
			Bills Receivable		20,000
			Bank		1,000
		317500	Cash in Hand		317500

In order of Liquidity

Balance Sheet

As on March 31 2024

Liabilities		Amount	Assets		Amount
Current Liabilities:			Current Assets:		
Sundry Creditors		63,000	Cash in Hand		1,000
Bills Payable		10,700	Bank		20,000
Liabilities for Expenses		1,200	Bills Receivable		13,000
Long Term Liabilities and Capital:			Sundry Debtors		47500
Capital	4,00,000		50,000-2500		
Add: Net Profit	16,600		Closing Stock		80,000
Less: Drawings	44,000		Fixed Assets:		
		2,42,600	Investment		20,000
			Furniture		16,000
			Plant and Machinery		40,000
			Land and Building		60,000
		317500	Goodwill		20,000
					317500