

15. The following is the Trial Balance of Gurinder Trading Co. as on March 31, 2013. (10)

Particulars	Debit (Rs.)	Particulars	Credit (Rs.)
Cash	540	Sales account	98780
Cash at Bank	2630	Returns outwards	500
Purchases	40675	Capital	62000
Return inwards	680	Account payable	6300
Wages	8480	Rent	9000
Fuel and power	4730		
Carriage on sales	3200		
Carriage on Purchases	2040		
Inventory (1 st , April 2012)	5760		
Buildings	32000		
Freehold land	10000		
Machinery	20000		
Patents	7500		
Salaries	15000		
General expenses	3000		
Insurance	600		
Drawings	5245		
Accounts receivable	14500		
	176580		176580

Taking into account the following adjustments you are required to prepare the Trading, Profit and Loss Account and Balance sheet as on March 31, 2013.

- a. Closing Stock on March 31, 2013 is Rs. 6800.
 - b. Machinery is to be depreciated at the rate of 10% and Patents at the rate of 20% .
 - c. Salaries for the month of March 2009 amounting to Rs. 1500 were unpaid.
 - d. Bad debts to be written off are Rs. 725.
16. a) Explain the various sources of finance to a company. (5)
 b) "The firm under perfect competition is a price taker and not a price maker" –explain. (5)
17. a) Explain the principles of double entry book-keeping. (5)
 b) Explain how the price is determined under monopoly. (5)
