

**Q. 5.** The profits earned by a firm during the last four years were as follows :

Year ended 31st March	Profits (₹)
2013	80,000
2014	1,00,000
2015	1,10,000
2016	1,50,000

Calculate the value of goodwill on the basis of three year's purchase of weighted average profits. Weights to be used are 1, 2, 3 and 4 respectively to the profits for 2013, 2014, 2015 and 2016.

[Ans. Goodwill ₹3,63,000.]

**Q. 6.** Following information is available about the business of a firm :

(i) Profits : In 2016, ₹40,000; In 2017, ₹50,000; In 2018, ₹60,000, (ii) Non-recurring income of ₹1,000 is included in the profits of 2017, (iii) Profits of 2016 have been reduced by ₹6,000 because goods were destroyed by fire, (iv) Goods have not been insured but it is thought to insure them in future. The insurance premium is estimated at ₹400 per year, (v) Reasonable remuneration of the proprietor of business is ₹6,000 per year, but it has not been taken into account for calculation of above mentioned profits, (vi) Profits of 2018 include ₹5,000 income on investment.

Goodwill is agreed to be valued at two years' purchase of the weighted average profits of the past three years. The appropriate weights to be used are :—

2016 — 1; 2017 — 2; 2018 — 3.

[Ans. Value of Goodwill ₹90,200.]

**Q. 7.** Calculate the value of goodwill on the basis of three year's purchase of the weighted average profits of the last five years. Profits to be weighted 1, 2, 3, 4 and 5, the greatest weightage to be given to last year. Profits of the last five years were :

Year ended	(₹)	
31st March, 2015 : Profit	80,000	
" 2016 : Profit	1,05,000	(after considering abnormal loss of ₹41,500)
" 2017 : Loss	20,000	(after considering abnormal gain of ₹40,000)
" 2018 : Profit	1,80,000	
" 2019 : Profit	2,00,000	

Books of Accounts of the firm revealed that :

(i) Closing Stock as on 31st March, 2015 was overvalued by ₹40,000.

(ii) Repairs to Machinery ₹60,000 were wrongly debited to Machinery Account on 1st July, 2017. Depreciation was charged on Machinery @ 20% p.a. on diminishing balance method.

[Ans. Value of Goodwill ₹3,60,000.]

**Hint :** Weighted Profit for the year ended 31st March 2018 ₹5,16,000 and 2019 ₹10,51,000.

**Super Profit Method :**

**Q. 8.** A partnership firm earned net profits during the last four years as follows :

Year	₹
1	56,000
2	64,000
3	60,000
4	62,000

The capital investment in the firm throughout the above mentioned period has been ₹3,00,000. Having regard to the risk involved, 15% is considered to be a fair return on the capital.

Calculate the value of goodwill on the basis of 3 years' purchase of average super profits earned during the above-mentioned four years.

[Ans. ₹46,500.]

**Q. 9.** The capital of the firm of Anuj and Benu is ₹10,00,000 and the market rate of interest is 15%. Annual salary to the partners is ₹60,000 each. The profit for the last three years were ₹2,80,000, ₹3,80,000 and ₹4,20,000. Goodwill of the firm is to be valued on the basis of two years purchase of last three years average super profits. Calculate the goodwill of the firm.

(C.B.S.E. 2019, M.P.)

[Ans. Goodwill ₹1,80,000]

**Q. 10.** Find out the capital employed from the following information :

Normal rate of return :	12%
Profits : 2017-18	₹ 80,000
2018-19	₹ 1,30,000
2019-20	₹ 1,56,000
Goodwill valued at 3 years purchase of Super Profits	₹ 1,50,000

[Ans. Capital Employed ₹6,00,000]

**Q. 11.** A and B are partners. They admit C for  $\frac{1}{4}$ th share in profits. For this purpose goodwill is to be valued at three year's purchase of super profits. Following information is provided to you :

A's Capital	₹ 5,00,000
B's Capital	₹ 4,00,000
General Reserve	₹ 1,50,000
Profit & Loss A/c (Cr.)	₹ 30,000
Sundry Assets	₹ 12,00,000

The normal rate of return is 15% p.a. Average Profits are ₹2,00,000 per year. You are required to calculate C's share of goodwill.

[Ans. C's share of goodwill ₹28,500.]

**Hint.** Sundry Assets will be ignored.

**Q. 12.** The net assets of a firm as on March 31, 2020 were ₹4,00,000. If the normal rate of return is 20% and the goodwill of the firm is valued at ₹1,25,000 at 5 year's purchase of super profits, find the average profits of the firm.

[Ans. Average Profit ₹1,05,000]

**Q. 13.** On April 1st 2020, an existing firm had assets of ₹5,00,000 including cash of ₹20,000. The firm had a General Reserve of ₹90,000, partner's capital accounts showed a balance of ₹3,80,000 and creditors amounted to ₹30,000. If the normal rate of return is 20% and the goodwill of the firm is valued at ₹64,000 at 4 year's purchase of super profit, find the average profits of the firm.

[Ans. ₹1,10,000]

### Capitalisation Method :

**Q. 14.** The average profits of a firm is ₹48,000. The total assets of the firm are ₹8,00,000. Value of other liabilities is ₹5,00,000. Average rate of return in the same business is 12%.

Calculate goodwill from capitalisation of average profits method.

[Ans. ₹1,00,000.]

**Hint :** Capital Employed = Assets – Liabilities.

**Q. 15.** Anupma, Purnima and Ruchika are partners in a business. Balances in their Capital and Current Accounts as on 31st March, 2019 were :

	Capital Account (₹)	Current Account (₹)
Anupma	6,00,000	60,000 (Dr.)
Purnima	5,00,000	30,000 (Dr.)
Ruchika	5,00,000	10,000 (Cr.)

The firm earned an average profit of ₹2,40,000. If the normal rate of return is 12%, find the value of goodwill by Capitalisation of Average Profit Method.

[Ans. Value of Goodwill ₹4,80,000]

**Q. 16.** Calculate the value of goodwill according to capitalisation of Super Profits Method in the previous Q. 14.

[Ans. ₹1,00,000]

**Q. 17.** The following information relates to a partnership firm :

(a) Profits/Losses for the last six years :

1st year	₹20,000 Profit	4th year	₹60,000 Profit
2nd year	₹60,000 Profit	5th year	₹50,000 Profit
3rd year	₹10,000 Loss	6th year	₹72,000 Profit

(b) Average Capital Employed is ₹2,00,000.

(c) Rate of normal profit is 15%.

Find out the value of goodwill on the basis of :

- Four years' purchase of average profits.
- Four years' purchase of super profits.
- Capitalisation of super profits.

[Ans. (i) On the basis of average profits  
(ii) On the basis of super profits ₹1,68,000  
(iii) On the basis of capitalisation of super profits ₹ 48,000  
₹ 80,000.]

## PRACTICAL QUESTIONS

(Q. No. 1 to 24 are strictly in the serial order of illustrations)

**Q. 1.** On 1st April, 2019 X Ltd. has a debit balance of ₹3,00,000 in Reserves and Surplus as Balance of Statement of Profit & Loss. It earned a profit of ₹5,00,000 for the year ended 31st March, 2020. How would you show these items in the Balance Sheet and notes to accounts?

[Ans. ₹2,00,000 will be shown under 'Reserve and Surplus'.]

**Q. 2.** Y Ltd. has the following balances on 1st April, 2019 :

	₹
Securities Premium Reserve	6,00,000
Statement of Profit & Loss	4,00,000

During the year ended 31st March, 2020, it incurred a loss of ₹2,60,000. How would you show these items in the Balance Sheet and notes to accounts?

[Ans. ₹7,40,000 will be shown under 'Reserve and Surplus'.]

**Q. 3.** Z Ltd. has the following balances on 1st April, 2019 :

	₹
General Reserve	2,50,000
Capital Reserve	1,50,000
Statement of Profit & Loss	2,00,000

During the year ended 31st March, 2020, it incurred a loss of ₹7,10,000. Show how these items will appear in the Balance Sheet and notes to accounts?

[Ans. (₹1,10,000) will be shown under 'Reserve and Surplus'.]

**Q. 4.** Axis Ltd. has the following balances on 1st April, 2019 :

	₹
Statement of Profit & Loss	3,00,000
Debenture Redemption Reserve	5,00,000
General Reserve	7,00,000
Securities Premium Reserve	2,00,000

It earned a profit of ₹6,00,000 for the year ended 31st March, 2020. It decided to transfer ₹3,00,000 towards General Reserve and ₹2,50,000 towards Debenture Redemption Reserve.

Directors proposed a final dividend of ₹80,000.

Show how these items will appear in the Balance Sheet and notes to accounts.

[Ans. Reserve and Surplus ₹22,20,000; Short term Provision ₹80,000.]

**Q. 5.** Operating Cycle and the period when payment is made is given below. How will you classify the liability?

Particulars	(i)	(ii)	(iii)	(iv)	(v)	(vi)
Operating Cycle (Months)	9	11	11	18	18	10
Expected Period when payment is made (Months)	12	12	13	20	16	12

[Ans. (i) Current\*; (ii) Current; (iii) Non Current; (iv) Non Current; (v) Current; (vi) Current]

\*A liability will be treated as Current if payment is made within 12 months.

Q. 6. Operating Cycle and the period when payment is received is given below. How will you classify the asset?

Particulars	(i)	(ii)	(iii)	(iv)	(v)	(vi)
Operating Cycle (Months)	10	10	10	15	15	20
Expected Period when payment is received (Months)	9	12	14	14	18	18

[Ans. (i) Current; (ii) Current\*; (iii) Non Current; (iv) Current; (v) Non Current; (vi) Current.]

\*An asset will be treated as Current if payment is received within 12 months.

Q. 7. State the major heads under which the items appearing on the equity and liabilities side of a company's Balance Sheet are classified.

[Ans. (i) Shareholder's Funds; (ii) Share Application Money Pending Allotment; (iii) Non-Current Liabilities; (iv) Current Liabilities.]

Q. 8. State the major heads under which the items appearing on the assets side of a company's Balance Sheet are classified.

[Ans. (i) Non-Current Assets; (ii) Current Assets.]

Q. 9. How will you classify the following in a Company's Balance Sheet?

(i) Reserve and Surplus; (ii) Money received against share warrants.

[Ans. Both will be classified under 'Shareholder's Funds.]

Q. 10. Name the Sub-headings under which Current Liabilities shall be classified in a Company's Balance Sheet.

[Ans. Current Liabilities shall be classified as follows :

- (i) Short-term borrowings
- (ii) Trade payables
- (iii) Other current liabilities
- (iv) Short-term provisions]

Q. 11. Name the sub-headings under which Current Assets shall be classified in a Company's Balance Sheet.

[Ans. Current Assets shall be classified as follows :

- (i) Current investments
- (ii) Inventories
- (iii) Trade receivables
- (iv) Cash and Bank Balance
- (v) Short-term loans and advances
- (vi) Other current assets]

Q. 12. Under what heads will you classify the following items on the equity & liability side of the Balance Sheet of a limited company :

- (i) Unclaimed Dividend
- (ii) Proposed Dividend
- (iii) Securities Premium Reserve
- (iv) Share Forfeited Account
- (v) Public Deposits
- (vi) Debentures

**Ans.**

	Heading	Sub-heading
(i)	Current Liabilities	Other Current Liabilities
(ii)	Contingent Liabilities (in Notes to Accounts).	
(iii)	Shareholder's Funds	Reserves and Surplus
(iv)	Shareholder's Funds	It is added to 'Subscribed Capital'
(v)	Non-Current Liabilities	Long term Borrowings
(vi)	Non-Current Liabilities	Long-term Borrowings

**Q. 13.** Under what major heads the following items on the Assets side of the Balance Sheet of a Company will be presented :

- (A) Sundry Debtors
- (B) Loose Tools
- (C) Live Stock
- (D) Goods in Transit
- (E) Prepaid Expenses

(C.B.S.E. 2018)

**Ans.**

	Heading	Sub-heading
(A)	Current Assets	Trade Receivables
(B)	Current Assets	Inventories
(C)	Non-Current Assets	Fixed Assets — Tangible Assets
(D)	Current Assets	Inventories
(E)	Current Assets	Other Current Assets

**Q. 14 (A).** How would you disclose the following items in the Balance Sheet of a limited Company?

- (i) Outstanding Salary
- (ii) Bank Balance
- (iii) Unpaid matured deposits
- (iv) Preliminary Expenses
- (v) Bills Payable

**Ans.**

	Heading	Sub-heading
(i)	Current Liabilities	Other Current Liabilities
(ii)	Current Assets	Cash and Bank Balance
(iii)	Current Liabilities	Other Current Liabilities

- (iv) To be written off in the same year in which they occur.
- (v) Current Liabilities

Trade Payables

**Q. 14 (B).** Under what heads the following items are shown in the Balance Sheet of a Company?

- (i) Patents and Trade Marks
- (ii) Income Received in Advance
- (iii) Debentures issued by the Company.
- (iv) Stores and Spare-parts.
- (v) Motor Vehicles
- (vi) Government Securities
- (vii) Uncalled Liability on partly paid shares.

**Ans.**

	Heading	Sub-heading
(i)	Non Current Assets	Fixed Assets — Intangible Assets
(ii)	Current Liabilities	Other Current Liabilities
(iii)	Non-Current Liabilities	Long-term Borrowings
(iv)	Current Assets	Inventories
(v)	Non-Current Assets	Fixed Assets — Tangible Assets
(vi)	Non-Current Assets	Non-Current Investments
(vii)	Commitments in (Notes to Accounts).	

**Q. 15.** Under what heads the following are recorded in a Company's Balance Sheet?

- I. Computer Software (C.B.S.E. 2018)
- II. Bills Receivable
- III. Interest Accrued and Due on Debentures
- IV. Interest Accrued on Investments
- V. Calls in Advance (C.B.S.E. 2018)

**Ans.**

	Heading	Sub-heading
I.	Non Current Assets	Fixed Assets — Intangible Assets
II.	Current Assets	Trade Receivables
III.	Current Liabilities	Other Current Liabilities
IV.	Current Assets	Other Current Assets
V.	Current Liabilities	Other Current Liabilities

**Q. 16.** Under what headings will you show the following items in the Balance Sheet of a Company :

- (i) Credit Balance of Statement of Profit & Loss
- (ii) Employees earned leave payable on retirement.
- (iii) Provision for Provident Fund Scheme
- (iv) Provision for Employee Benefits (to be settled within 12 months)
- (v) Provision for Doubtful Debts

(vi) Contracts remaining to be executed

[Ans. (i) Shareholder's Funds under 'Reserve & Surplus'; (ii) Non Current Liabilities under 'Long term Provisions'; (iii) Non Current Liabilities under 'Long term Provisions'; (iv) Current Liabilities under 'Short term Provisions'; (v) Current Liabilities under 'Short term Provisions'; (vi) Commitments (to be shown in Notes to Accounts)]

**Q. 17.** How will you show the following items in the Balance Sheet of a Company:

- (i) Stores and Spares
- (ii) Debentures due for Redemption
- (iii) Live Stock
- (iv) Licences and franchise
- (v) Advance from Customers
- (vi) Advance to Suppliers
- (vii) Commission Received in Advance

[Ans. (i) Current Assets under 'Inventories'; (ii) Current Liabilities under 'Other Current Liabilities'; (iii) Non Current Assets under 'Fixed Assets — Tangible Assets'; (iv) Non Current Assets under 'Fixed Assets — Intangible Assets'; (v) Current Liabilities under 'Other Current Liabilities'; (vi) Current Assets under 'Other Current Assets' (vii) Current Liabilities under 'Other Current Liabilities'.]

**Q. 18.** From the following list of assets and liabilities, prepare the Balance Sheet of Seema Co. Ltd. as per Schedule III, Part I of the Companies Act :

Liabilities		Amount	Assets		Amount
		₹			₹
Sundry Creditors		1,00,000	Cash at Bank		69,800
General Reserve		40,000	Cash in Hand		52,500
Interest accrued and due on Debentures		28,000	Investment		95,000
Authorised Share Capital			Preliminary Expenses		13,000
1,20,000 shares of ₹10 each		12,00,000	Goodwill		1,40,000
Subscribed Capital			Buildings		6,00,000
80,000 shares of ₹10 per share	8,00,000		Prepaid Insurance		2,000
Less : Calls in Arrears (On 5,000 Shares)	<u>15,000</u>	7,85,000	Bills Receivable		13,000
Provision for Taxation		8,000	Loose Tools		15,000
Balance of Statement of Profit and Loss		1,43,500	Plant & Machinery	6,60,000	
6% Debentures		6,00,000	Less : Depreciation	<u>66,000</u>	5,94,000
Bills Payable		66,000	Inventory		10,000
Fixed Deposits		13,500	Debtors	1,74,000	
			Less : Provision for Doubtful Debts	<u>8,700</u>	1,65,300
			Furniture		14,400

[Ans. Total of Balance Sheet ₹17,79,700.]

**Hint.** Preliminary Expenses shall be written off from General Reserve.



Q. 19. Following balances appeared in the books of Keshav Ltd. as at 31st March, 2018. You are required to prepare a Balance Sheet in prescribed form :

	₹	₹
Share Capital (50,000 Shares of ₹10 each)		
Preliminary Expenses		5,00,000
Fixed Deposits accepted	30,000	
Calls in arrears (On 1,000 Shares @ ₹2 each)		10,000
Provident Fund	2,000	
Premises		60,000
Machinery	4,00,000	
Trade Receivables	4,20,000	
Trade Payables	2,40,000	
Provision for Bad Debts		75,000
Bank Loan		12,000
Stock in Trade		4,50,000
Prepaid Expenses	1,50,000	
Balance of Statement of Profit & Loss	2,000	
Stores		2,10,000
Loose Tools	40,000	
Cash at Bank	15,000	
Provision for Taxation	33,000	
		15,000
	<u>13,32,000</u>	<u>13,32,000</u>

The authorised capital of the company is ₹10,00,000 divided into 10,000 shares of ₹100 each.

[Ans. Balance Sheet Total ₹13,00,000.]

**Hint.** Preliminary Expenses shall be written off from balance of Statement of Profit & Loss.

Q. 20. The following Balance Sheet is prepared by an amateur accountant. You are required to redraft it as per schedule III Part I of Companies Act 2013.

#### BALANCE SHEET

for the year ended 31st March, 2018

Liabilities	₹	Assets	₹
12% Debentures	2,00,000	Land and Buildings	7,80,000
Provision for Taxation	1,50,000	Stock in Trade	1,20,000
Securities Premium	50,000	Debtors	90,000
Investments in shares of Ravi Ltd.	11,20,000	Loose Tools	1,45,000
General Reserve	1,40,000	Cash and Bank	75,000
Creditors	1,00,000	Capital Redemption Reserve	11,20,000
Bills Payable	62,000	Leasehold Premises	6,00,000
Unclaimed Dividends	28,000	Preliminary Expenses	15,000
Balance of Statement of Profit & Loss (Cr.)	70,000	Bills Receivable	2,00,000
		Vehicles	2,75,000

Share Capital (15,000 Shares of ₹100 each)	15,00,000	Share Forfeiture	2,000
Calls in Arrears (on 500 Shares)	2,000		
	<u>34,22,000</u>		<u>34,22,000</u>

[Ans. Balance Sheet Total ₹34,05,000]

**Q. 21.** X Ltd. carried forward balance of ₹20,50,000 as surplus for the year ended on 31st March, 2017. During the year 2017-18 it made a profit of ₹71,80,000 before making provision for income tax. Provision for income tax is to be made for ₹30,00,000. Following appropriations were proposed by the Directors :

- Transfer ₹5,00,000 to the Dividend Equalisation Reserve.
- Pay the year's dividend on ₹5,00,000 10% cumulative Preference share capital.
- Pay 20% dividend on ₹60,00,000 Equity share capital.
- Pay ₹1,00,000 dividend to non-cumulative Preference Shares.
- Transfer ₹7,50,000 to Debenture Redemption Fund.
- Transfer 7.5% of Current year's net profit to General Reserve.
- To provide for Corporate Dividend Tax at 20.358%.

Ascertain the net amount of 'Surplus'.

[Ans. Current year Surplus ₹41,80,000; Net Surplus ₹46,66,500.]

**Contingent Liability :**

Proposed Dividend on Cumulative Pref. Share Capital 10% on ₹5,00,000 =	₹ 50,000
Proposed Dividend on Equity Share Capital 20% on ₹60,00,000	12,00,000
Proposed Dividend on non-cumulative Pref. Share Capital	<u>1,00,000</u>
	13,50,000
Add : Corporate Dividend Tax 20.358% on ₹13,50,000	2,74,833
	<u>Total 16,24,833</u>

**Hint :** (1) Transfer to General Reserve will be 7.5% of ₹41,80,000.

**Q. 22.** The following balances are left on the books of HMM Ltd. after its Profit and Loss Statement had been prepared for the year ended 31st March, 2018 :

Liabilities	₹	Assets	₹
Securities Premium	80,000	Plant and Equipment	6,60,000
General Reserve	1,00,000	Trade Receivables	1,20,000
Trade Payables	2,40,000	Cash at Bank	2,00,000
Share Capital paid up (Nominal Capital – ₹10,00,000 in equity shares of ₹10 each)	8,00,000	Freehold Premises	5,50,000
Net profit for the year as on 31.3.2018	6,00,000	Motor Vehicles	3,98,000
Profit & Loss balance on 1.4.2017	1,40,000	Stock-in-Trade	2,67,000
		Prepaid Expenses	25,000
		Cash in hand	40,000

Accrued Expenses	3,00,000	
	<u>22,60,000</u>	<u>22,60,000</u>

You are required to draw up the company's Balance Sheet as at 31st March, 2018 after taking into account the following matters :

- (a) Transfer ₹1,00,000 to General Reserve.
- (b) Directors proposed a dividend of 12% on the paid up share capital.

[Ans. Net Surplus (after appropriations) ₹6,40,000; Total of Balance Sheet ₹22,60,000]

**Note :** Contingent Liability for Proposed Dividend ₹96,000.

**Q. 23.** The following are the balances of Ashok Photo Company Ltd., as at 31st March, 2018.

Securities Premium	₹
Freehold Premises	40,000
Plant & Machinery	2,50,000
Furniture	4,00,000
Patents	15,300
Goodwill	4,200
Debtors	1,20,000
Share Capital :	1,50,800
(40,000 shares of ₹10 each)	4,00,000
15% Debentures	1,00,000
Interest Accrued and due on Debentures	7,500
Creditors	95,100
Surplus (as on 1.4.2017)	2,80,000
Provision for Doubtful Debts	5,000
Debenture Sinking Fund	80,000
Bills Payable	25,500
Closing Inventories	1,26,000
Unsecured Loans : Public Deposits	50,000
Balances and Deposit with Excise authorities	16,000
Unclaimed Dividend	2,000
Net Profit for the year	1,48,000
Cash in hand and at Bank	36,600
9% Government Securities	25,000
Underwriting Commission	9,200
Sinking Fund Investments	80,000

**Informations:**

- (i) The authorised Capital of the Company is divided into 50,000 shares of ₹10 each.
- (ii) Directors decided to transfer ₹38,000 to General Reserve.
- (iii) Directors proposed a dividend of 12% on share capital.

Prepare the Balance Sheet of the Company as at 31st March, 2018 along with 'Notes to Accounts'.

[Ans. Net Surplus (after appropriations) ₹3,90,000; Total of Balance Sheet ₹12,23,900.]

Note : Contingent Liability for Proposed Dividend ₹48,000.

Q. 24. The authorised capital of Avery Ltd. is ₹70,00,000 divided into 5,00,000 equity shares of ₹10 each and 2,00,000, 10% preference shares of ₹10 each. All the shares were issued and fully paid up. On 1st April, 2017 the company had a balance of profit ₹2,00,000 brought forward from the previous year. The net profit of the company for the year ended 31st March, 2018 amounted to ₹9,00,000.

The director's proposed to :

- (a) transfer ₹1,00,000 to General Reserve;
- (b) pay the dividend of 12% on equity shares;
- (c) pay the year's dividend on preference shares;
- (d) carry forward the remaining balance.

You are required to show how the items would appear in the Balance Sheet of the Company and prepare 'Notes to Accounts'.

[Ans. Net Surplus ₹10,00,000; Balance of 'Reserve and Surplus' ₹11,00,000; Balance Sheet Total ₹81,00,000.]

Note : Contingent Liability for Proposed Dividend 8,00,000.

### ----- ADDITIONAL QUESTIONS -----

Q. 25. The following balances have been extracted from the books of Robin Ltd. as on 31st March, 2018 :

	₹
Share Capital	10,00,000
Securities Premium	1,00,000
12% Debentures	5,00,000
Trade Payables	2,00,000
Provision for Taxation	50,000
Profit and Loss Statement (Dr.)	50,000
Livestock	9,00,000
Investment in Government Bonds	4,00,000
Work-in-progress	4,00,000
Preliminary Expenses	1,00,000
Patents	40,000
Unclaimed Dividend	10,000
Trade Receivables	20,000
Public Deposits	50,000

Prepare the Balance Sheet of the company as per Schedule III, Part I of the Companies Act, 2013.

[Ans. Total of Balance Sheet ₹17,60,000]

Hint : Work in Progress is shown as Inventory.