



Mohan
Trading Account and Profit & Loss Account
For the year ending 31st March, 2023

Dr.		Rs.	Cr.	
Particulars			Particulars	Rs.
To Opening Stock		6,800	By Sales	1,10,000
To Purchases	66,000		Less: Returns Inwards	8,000
Less: Returns Outwards	1,500		By Closing Stock	7,000
Less: Drawings (Private purchases)	4,000	60,500		
To Carriage Inward		3,000		
To Gross Profit		38,700		
		1,09,000		1,09,000
To Bad-Debts	500		By Gross Profit	38,700
Add: New Provision	1,000		By Discount	500
	1,500		By Rent received	300
Less: Old Provision	700	800		
To Interest on Loan		300		
To Carriage Outward		2,500		
To Salaries	9,000			
Add: Outstanding	200	9,200		
To Rent and Insurance	3,000			
Less: Prepaid	200	2,800		
To Advertising		3,500		
To General Expenses		3,400		
To Depreciation on:				
Land and Buildings	300			
Motor Vehicles	2,000	2,300		
To Net Profit		14,700		
Total		39,500	Total	39,500



Balance Sheet
As at 31st March, 2023

Liabilities		Rs.	Assets		Rs.
Capital			Fixed Assets		
Opening Balance	30,000		Land and Buildings	12,000	
Add: Net Profit	14,700		Less: Provision for Depreciation	300	11,700
	44,700		Motor Vehicles	10,000	
Less: Drawings	5,000		Less: Provision for Depreciation	2,000	8,000
Less: Private Purchases	4,000	35,700			
			Current Assets		
Current Liabilities			Cash		2,000
Creditors		10,000	Bank		3,500
Bank Loan		9,500	Debtors	20,000	
Bills Payables		2,000	Less: Provision for Bad Debts	1,000	19,000
Outstanding Salaries		200	Bills Receivables		6,000
			Prepaid Insurance		200
			Closing Stock		7,000
Total		57,400	Total		57,400



Working Notes

Bad Debts

Dr.

Cr.

Date	Particulars	Rs.	Date	Particulars	Rs.
31-Mar-23	To Balance b/d	500	31-Mar-23	By Provision for Doubtful Debts A/c	500
		500			500

Provision for Doubtful Debts

Dr.

Cr.

Date	Particulars	Rs.	Date	Particulars	Rs.
31-Mar-23	To Bad Debts A/c	500	31-Mar-23	By Balance b/d	700
31-Mar-23	To Balance c/d	1,000	31-Mar-23	By Profit & Loss A/c (B.F.)	800
		1,500			1,500

Sundry Debtors

Dr.

Cr.

Date	Particulars	Rs.	Date	Particulars	Rs.
31-Mar-23	To Balance b/d	20,000	31-Mar-23	By Balance c/d	20,000
		20,000			20,000