



Trading Account and Profit & Loss Account (Books of A)
For the year ending 31st March, 2023

Dr.			Cr.	
Particulars		Rs.	Particulars	Rs.
To Opening Stock		34,600	By Sales	1,54,500
To Purchases	54,750		Less: Returns Inwards	2,000
Less: Returns Outwards	1,250	53,500	By Closing Stock	
To Gross Profit		96,900		32,500
		1,85,000		1,85,000
To Stationery	4,500		By Gross Profit	96,900
Less: Drawings	2,250	2,250	By Commission	3,750
To Interest Account		1,180		
To Taxes and Insurance	12,500			
Add: Outstanding Taxes	1,200			
	13,700			
Less: Prepaid Insurance	1,000	12,700		
To General Expenses		7,820		
To Salaries	33,000			
Add: Outstanding	3,000	36,000		
To Bad-debts	1,250			
Add: Further Bad Debts	1,000			
Add: New Provision	1,850			
	4,100			
Less: Old Provision	2,000	2,100		
To Depreciation on:				
Buildings	3,750			
Furniture	640			
Loose Tools	12,500	16,890		
To Net Profit		21,710		
Total		1,00,650	Total	1,00,650



Balance Sheet
As at 31st March, 2024

Liabilities		Rs.	Assets		Rs.
Capital			Fixed Assets		
Opening Balance	1,25,000		Buildings	75,000	
Add: Net Profit	21,710		Less: Provision for Depreciation	3,750	71,250
	1,46,710		Furniture	6,400	
Less: Drawings	2,250	1,44,460	Less: Provision for Depreciation	640	5,760
			Loose Tools	62,500	
Current Liabilities			Less: Provision for Depreciation	12,500	50,000
Sundry Creditors		25,000			
Bank Overdraft		28,500	Current Assets		
Outstanding Salaries		3,000	Cash in hand		6,500
Outstanding Taxes		1,200	Sundry Debtors	7,000	
			Less: Provision for Doubtful debts	1,850	35,150
			Prepaid Insurance		1,000
			Closing Stock		32,500
Total		2,02,160	Total		2,02,160



Working Note

Bad Debts A/c

Dr.			Cr.		
Date	Particulars	Rs.	Date	Particulars	Rs.
31-Mar-23	To Balance b/d	1,250	31-Mar-23	By Provision for Doubtful Debts A/c	1,250
31-Mar-23	To Sundry Debtors A/c	1,000	31-Mar-23	By Provision for Doubtful Debts A/c	1,000
		2,250			2,250

Provision for Doubtful Debts A/c

Dr.			Cr.		
Date	Particulars	Rs.	Date	Particulars	Rs.
31-Mar-23	To Bad Debts A/c	1,250	31-Mar-23	By Balance b/d	2,000
31-Mar-23	To Bad Debts A/c	1,000	31-Mar-23	By Profit & Loss A/c (B.F.)	2,100
31-Mar-23	To Balance c/d	1,850			
		4,100			4,100

Sundry Debtors A/c

Dr.			Cr.		
Date	Particulars	Rs.	Date	Particulars	Rs.
31-Mar-23	To Balance b/d	38,000	31-Mar-23	By Bad Debts A/c	1,000
			31-Mar-23	By Balance c/d	37,000
		38,000			38,000