



**M/s Green Club Ltd  
Trading Account and Profit & Loss Account  
For the year ending .....**

Dr.

Cr.

Particulars	Rs.	Particulars	Rs.
To Opening Stock	1,25,000	By Sales	2,50,000
To Purchases	35,000	Less: Returns Inwards	25,000
Less: Returns Outwards	6,000	By Closing Stock	
To Wages	3,000		
Less: Prepaid	1,000		
To Gross Profit	69,000		
	<b>2,25,000</b>		<b>2,25,000</b>
To Postage	600	By Gross Profit	69,000
To Salary	12,300	By Discount received	1,000
To Rent and rates	1,000	By Commission received	5,400
To Packing and transport	500	By Interest on Investments	1,155
To General expenses	400		
To Insurance	4,000		
To Lighting	5,000		
To Discount	3,500		
To Bad Debts	3,500		
Add: Further bad Debts	1,500		
Add: New Provision	2,910		
	7,910		
Less: Old Provision	4,500		
To Provision for Discount on Debtors	2,280		
To Depreciation on Machinery	1,000		
To Net Profit	42,565		
<b>Total</b>	<b>76,555</b>	<b>Total</b>	<b>76,555</b>



**Balance Sheet**  
As at .....

Liabilities		Rs.	Assets		Rs.
<b>Capital</b>			<b>Fixed Assets</b>		
Opening Balance	50,000		Machinery	20,000	
Add: Net Profit	42,565	92,565	Less: Provision for Depreciation	1,000	19,000
<b>Current Liabilities</b>			Investments		23,100
Creditors		55,000	<b>Current Assets</b>		
			Cash in hand		20,000
			Debtors	48,500	
			Less: Provision for Doubtful Debts	2,910	
				45,590	
			Less: Provision for Discount on Debtors	2,280	43,310
			Interest Accrued on Investments		1,155
			Prepaid Wages		1,000
			Closing Stock		40,000
<b>Total</b>		<b>1,47,565</b>	<b>Total</b>		<b>1,47,565</b>



**Working Notes**

**Bad Debts A/c**

Dr.			Cr.		
Date	Particulars	Rs.	Date	Particulars	Rs.
	To Balance b/d	3,500		By Provision for Doubtful Debts A/c	3,500
	To Sundry Debtors A/c	1,500		By Provision for Doubtful Debts A/c	1,500
		<b>5,000</b>			<b>5,000</b>

**Provision for Doubtful Debts A/c**

Dr.			Cr.		
Date	Particulars	Rs.	Date	Particulars	Rs.
	To Bad Debts A/c	3,500		By Balance b/d	4,500
	To Bad Debts A/c	1,500		To Profit & Loss A/c (B.F.)	3,410
	To Balance c/d	2,910			
		<b>7,910</b>			<b>7,910</b>

**Sundry Debtors A/c**

Dr.			Cr.		
Date	Particulars	Rs.	Date	Particulars	Rs.
	To Balance b/d	50,000		By Bad Debts A/c	1,500
				By Balance c/d	48,500
		<b>50,000</b>			<b>50,000</b>



**Provision for Discount on Debtors A/c**

Dr.

Cr.

<b>Date</b>	<b>Particulars</b>	<b>Rs.</b>	<b>Date</b>	<b>Particulars</b>	<b>Rs.</b>
	To Balance c/d	2,280		To Profit & Loss A/c (B.F.)	2,280
		<b>2,280</b>			<b>2,280</b>

