



**Mr. Tarun Ghosh**  
**Trading Account and Profit & Loss Account**  
**For the year ending 31st March, 2020**

Dr.			Cr.	
Particulars		Rs.	Particulars	Rs.
To Opening Stock		38,000	By Sales	15,40,000
To Purchases	12,60,000		Less: Sale on Return Basis	10,000
Less: Returns Outwards	15,000	12,45,000	By Closing Stock	58,000
To Wages Factory		20,000		
To Gross Profit		2,85,000		
		<b>15,88,000</b>		<b>15,88,000</b>
To Wages Office		1,600	By Gross Profit	2,85,000
To Salary		54,000	By Interest on Drawings	3,000
To Rent		58,400	By Interest on Loan (10,000x12%x5/12)	500
To Interest on Capital		24,000		
To Depreciation on:				
Business Premises	10,000			
Furniture and Fixtures	8,000			
Packing Machinery	6,000			
Tools	3,000	27,000		
To Provision for Doubtful Debts		1,500		
To Provision for Discount on Debtors		3,000		
To Net Profit		1,19,000		
<b>Total</b>		<b>2,88,500</b>	<b>Total</b>	<b>2,88,500</b>



**Balance Sheet**  
**As at 31st March, 2020**

<b>Liabilities</b>		<b>Rs.</b>	<b>Assets</b>		<b>Rs.</b>
<b>Capital</b>			<b>Fixed Assets</b>		
Opening Balance	3,00,000		Business Premises	2,00,000	
Add: Net Profit	1,19,000		Less: Provision for Depreciation	10,000	1,90,000
Add: Interest on Capital	24,000		Furniture and Fixtures	40,000	
	4,43,000		Less: Provision for Depreciation	8,000	32,000
Less: Drawings	60,000		Packing Machinery	60,000	
Less: Interest on Drawings	3,000	3,80,000	Less: Provision for Depreciation	6,000	54,000
			Tools	15,000	
			Less: Provision for Depreciation	3,000	12,000
<b>Current Liabilities</b>			<b>Current Assets</b>		
Sundry Creditors	40,000		Cash in Hand		7,400
Bills Payable	12,000		Sundry Debtors	1,31,500	
Bank	33,000		Less: Sale on Return Basis	10,000	
Secured Loan	20,000			1,21,500	
			Less: Provision for Doubtful Debts	1,500	
				1,20,000	
			Less: Provision for Discount on Debtors	3,000	1,17,000
			Loan to Mr. Ram Narain		10,000
			Interest Accrued		500
			Bills Receivable		4,100
			Closing Stock		58,000
<b>Total</b>	<b>4,85,000</b>		<b>Total</b>	<b>4,85,000</b>	



**Working Notes**

Particulars	Debit	Credit
Sales	10,000	
Debtors		10,000

Closing Stock	50,000	
Add: Sale on Return basis (Cost)	<u>8,000</u>	
	<b><u>58,000</u></b>	

