



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

Dr.

Cr.

Particulars		Rs.	Particulars		Rs.
To Opening Stock		75,000	By Sales	12,00,000	
To Purchases	8,00,000		Less: Returns Inwards	7,500	11,92,500
Less: Returns Outwards	6,000	7,94,000	By Closing Stock		60,000
Wages	1,25,000				
Less: Prepaid	5,000	1,20,000			
To Gross Profit		2,63,500			
		<b>12,52,500</b>			<b>12,52,500</b>
Car Expenses		42,000	By Gross Profit		2,63,500
Rent	5,500		By Commission Received	4,600	
Add: Outstanding	500	6,000	Less: Advance	1,600	3,000
Salaries	35,200		Bad Debts		
Add: Outstanding	3,200	38,400	Old Provision	8,100	
Insurance	8,400		Less: Bad Debts	1,500	
Less: Prepaid	1,200	7,200	Less: Further Bad Debts	2,000	
Interest on X Loan	1,500		Less: New Provision	4,000	600
Add: Interest Accrued	300	1,800			
To Depreciation on:					
Furniture	3,000				
Motor Car	30,000	33,000			
To Net Profit		1,38,700			
<b>Total</b>		<b>2,67,100</b>	<b>Total</b>		<b>2,67,100</b>



**Balance Sheet**  
**As at 31st March, 2023**

Liabilities		Rs.	Assets		Rs.
<b>Capital</b>			<b>Fixed Assets</b>		
Opening Balance	2,50,000		Land and Building		2,00,000
Add: Net Profit	1,38,700	3,88,700	Furniture	20,000	
			Less: Provision for Depreciation	3,000	17,000
<b>Current Liabilities</b>			Motor Car	1,50,000	
Loan from X	10,000		Less: Provision for Depreciation	30,000	1,20,000
Sundry Creditors	91,300		<b>Current Assets</b>		
Commission Received in Advance	1,600		Cash in hand		16,400
Outstanding Rent	500		Sundry Debtors	80,000	
Outstanding Salaries	3,200		Less: Provision for bad debts	4,000	76,000
Interest Accrued	300		Prepaid Wages		5,000
			Prepaid Insurance		1,200
			Closing Stock		60,000
<b>Total</b>		<b>4,95,600</b>	<b>Total</b>		<b>4,95,600</b>



**Working Note**

**Bad Debts A/c**

Dr.			Cr.		
Date	Particulars	Rs.	Date	Particulars	Rs.
31-Mar-23	To Balance b/d	1,500	31-Mar-23	By Provision for Doubtful Debts A/c	1,500
31-Mar-23	To Sundry Debtors A/c	2,000	31-Mar-23	By Provision for Doubtful Debts A/c	2,000
		<b>3,500</b>			<b>3,500</b>

**Provision for Doubtful Debts A/c**

Dr.			Cr.		
Date	Particulars	Rs.	Date	Particulars	Rs.
31-Mar-23	To Bad Debts A/c	1,500	31-Mar-23	By Balance b/d	8,100
31-Mar-23	To Bad Debts A/c	2,000			
31-Mar-23	To Profit & Loss A/c (B.F.)	600			
31-Mar-23	To Balance c/d	4,000			
		<b>8,100</b>			<b>8,100</b>

**Sundry Debtors A/c**

Dr.			Cr.		
Date	Particulars	Rs.	Date	Particulars	Rs.
31-Mar-23	To Balance b/d	82,000	31-Mar-23	By Bad Debts A/c	2,000
			31-Mar-23	By Balance c/d	80,000
		<b>82,000</b>			<b>82,000</b>