



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

Dr.			Cr.
Particulars	Rs.	Particulars	Rs.
To Opening Stock	7,500	By Sales	60,000
To Purchases	36,000	Less: Returns Inwards	1,000
Less: Returns Outwards	500	By Closing Stock	10,000
Less: Loss by Fire	4,000		
To Coal, Gas and Water	1,000		
To Carriage Inwards	400		
To Wages & Salaries	7,500		
To Gross Profit	21,100		
	69,000		69,000
To Carriage outwards	100	By Gross Profit	21,100
To Discount allowed	400	By Commission received	600
To Advertising	200	By Rent for Premises Sublet	500
To Lighting	250	Less: Advance	100
To Trade Expenses	8,650		
To Stationery	2,000		
Less: Unutilised	400		
To Interest Charged by Bank	450		
Add: Outstanding	150		
To Provision for doubtful debts	1,050		
To Provision for discount on debtors	189		
To Loss by Fire	1,480		
To Net Profit	7,581		
Total	22,100	Total	22,100



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

Liabilities		Rs.	Assets		Rs.
Capital			Fixed Assets		
Opening Balance	40,000		Plant and Machinery		12,500
Add: Net Profit	7,581		Freehold Property		10,000
	47,581		Furniture		4,600
Less: Drawings	500	47,081	Current Assets		
Current Liabilities			Cash		2,900
Sundry Creditors		4,850	Sundry Debtors	10,500	
Loan from bank		5,000	Less: Provision for doubtful debts	1,050	
Rent received in advance		100		9,450	
Interest Accrued on Bank Loan		150	Less: Provision for discount on debtors	189	9,261
			Stationery in hand		400
			Input IGST	5,000	
			Less: Loss by Fire Insurance Company	480	4,520
			Closing Stock		3,000
					10,000
Total		57,181	Total		57,181



Working Notes

Journal Entry for Loss of Goods by Fire

Particulars	Debit	Credit
Insurance Company	3,000	
Loss by Fire	1,480	
To Purchases		4,000
To Input IGST		480

