



Geeta
Trading Account and Profit & Loss Account
For the year ending 31st March, 2019

Dr.

Cr.

Particulars	Rs.	Particulars	Rs.
To Opening Stock	70,000	By Sales	5,00,000
To Purchases	2,70,000	Less: Sale on Return basis	2,500
To Wages	20,000	By Closing Stock	96,000
To Carriage Inwards	4,000	Add: Destroyed by Fire	6,000
To Gross Profit	2,37,500	Add: Sale on Return basis	2,000
	6,01,500		6,01,500
To Rent (30,000+1,500)	31,500	By Gross Profit	2,37,500
To Depreciation on Plant and Machinery	15,000	By Discount	12,000
To Salary	11,000	By Commission	8,000
Add: Outstanding	1,000		
To Discount	2,000		
To Bad Debts	6,000		
Add: Further Bad Debts	4,000		
To Provision for Doubtful Debts	3,600		
To Loss by Fire	2,400		
To Net Profit	1,81,000		
Total	2,57,500	Total	2,57,500



Balance Sheet
As at 31st March, 2019

Liabilities		Rs.	Assets		Rs.
Capital			Fixed Assets		
Opening Balance	3,00,000		Plant and Machinery		3,50,000
Add: Net Profit	<u>1,81,000</u>	4,81,000	Current Assets		
Current Liabilities			Cash		27,000
Wages Outstanding		4,000	Debtors	80,000	
Creditors		45,000	Less: Sale on Return basis	2,500	
Bills Payables		16,000	Less: Rent	1,500	
Salary Outstanding		1,000	Less: Further Bad Debts	<u>4,000</u>	
				72,000	
			Less: Provision for Doubtful Debts	3,600	68,400
			Insurance Company		3,600
			Closing Stock	1,02,000	
			Add: Sale on Return basis	<u>2,000</u>	
				1,04,000	
			Less: Destroyed by Fire	<u>6,000</u>	98,000
Total		5,47,000	Total		5,47,000



Working Notes

Particulars	Debit	Credit
Sales	2,500	
Debtors		2,500

Closing Stock

Add: Cost of Sale on Return basis $(2500 \times 100 / 125)$ 2,000

