



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

Dr.

Cr.

Particulars		Rs.	Particulars		Rs.
To Opening Stock		82,000	By Sales	6,75,000	
To Purchases	4,40,000		Less: Returns Inwards	25,000	6,50,000
Less: Returns Outwards	37,000	4,03,000	By Closing Stock		1,12,500
To Carriage Inward		6,000			
To Fuel and Water		4,750			
To Gross Profit		2,66,750			
		7,62,500			7,62,500
To Trade Expenses		2,500	By Gross Profit		2,66,750
To Rent, Rates & Taxes		12,000	By Commission	4,000	
To Salaries and Wages	24,000		Less: Received in advance	1,200	2,800
Add: Outstanding	4,800	28,800	By Bad Debts:		
Add: Depreciation on			Old Provision	6,000	
Plant and Machinery	30,000		Less: Bad Debts	4,250	
Motor Vehicle	30,000	60,000	Less: Further Bad Debts	500	
To Net Profit		1,66,805	Less: New Provision	695	555
Total		2,70,105	Total		2,70,105



Working Notes

Bad Debts A/c

Dr.			Cr.		
Date	Particulars	Rs.	Date	Particulars	Rs.
31-Mar-23	To Balance b/d	4,250	31-Mar-23	By Provision for Doubtful Debts A/c	4,250
31-Mar-23	To Sundry Debtors A/c	500	31-Mar-23	By Provision for Doubtful Debts A/c	500
		4,750			4,750

Provision for Doubtful Debts A/c

Dr.			Cr.		
Date	Particulars	Rs.	Date	Particulars	Rs.
31-Mar-23	To Bad Debts A/c	4,250	31-Mar-23	By Balance b/d	6,000
31-Mar-23	To Bad Debts A/c	500			
31-Mar-23	To Profit & Loss A/c (B.F.)	555			
31-Mar-23	To Balance c/d	695			
		6,000			6,000

Sundry Debtors A/c

Dr.			Cr.		
Date	Particulars	Rs.	Date	Particulars	Rs.
31-Mar-23	To Balance b/d	70,000	31-Mar-23	By Bad Debts A/c	500
			31-Mar-23	By Balance c/d	69,500
		70,000			70,000