



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

Dr.		Rs.	Cr.	
Particulars			Particulars	Rs.
To Opening Stock		6,25,000	By Sales	13,72,000
To Purchases	9,03,000		Less: Returns Inwards	22,000
Less: Returns Outwards	13,000		By Closing Stock	6,50,000
Less: Drawings	5,000	8,85,000		
To Direct Expenses		75,000		
To Gross Profit		4,15,000		
		20,00,000		20,00,000
To Postage, Stationery & Telephone		25,000	By Gross Profit	4,15,000
To Fire Insurance Premium	20,000		By Interest	5,000
Less: Prepaid	5,000	15,000	Add: Interest Accrued	5,000
To Salaries	90,000		By Commission	30,000
Add: Outstanding	10,000	1,00,000	Less: Commission Received in advance	10,000
To Interest on Bank Overdraft		20,000		
To Provision for Doubtful Debts		12,500		
Depreciation on:				
Land and Buildings	15,000			
Furniture and Fittings	8,000	23,000		
To Net Profit		2,49,500		
Total		4,45,000	Total	4,45,000



Balance Sheet
As at 31st March, 2023

Liabilities		Rs.	Assets		Rs.
Capital			Fixed Assets		
Opening Balance	3,00,000		Land and Buildings	3,00,000	
Add: Net Profit	2,49,500		Less: Provision for Depreciation	15,000	2,85,000
	5,49,500		Furniture and Fittings	80,000	
Less: Drawings (45,000+5,000)	50,000	4,99,500	Less: Provision for Depreciation	8,000	72,000
			Investments		1,00,000
Current Liabilities			Current Assets		
Sundry Creditors		4,50,000	Cash in Hand		35,000
Bank Overdraft		4,00,000	Sundry Debtors	2,50,000	
Salaries Outstanding		10,000	Less: Provision for Doubtful Debts	12,500	2,37,500
Interest Accrued on Bank Overdraft		20,000	Prepaid Insurance		5,000
Commission Received in advance		10,000	Interest Accrued		5,000
			Closing Stock		6,50,000
Total		13,89,500	Total		13,89,500