



Mr. Ram
Trading Account and Profit & Loss Account
For the year ending 31st December, 2022

Dr.			Cr.	
Particulars		Rs.	Particulars	Rs.
To Opening Stock		42,000	By Sales	4,10,000
To Purchases	2,00,000			
Less: Returns Outwards	8,000	1,92,000		
To Wages	44,000			
Add: Outstanding	4,000	48,000		
To Carriage in		5,800		
To Gross Profit		1,22,200		
		4,10,000		4,10,000





**Trading Account and Profit & Loss Account (Contd.)
For the year ending 31st December, 2022**

Dr.			Cr.	
Particulars		Rs.	Particulars	Rs.
To Salary	33,000		By Gross Profit	1,22,200
Add: Outstanding	3,000	36,000	Commission	7,500
To Discount		2,000	Less: Unearned Commission	1500
To Rent	27,500		Interest on Investments	700
Add: Outstanding	2,500	30,000	Add: Interest Accrued	700
To Carriage out		3,200	Special Rebate	800
To Office Expenses	6,600			
Add: Outstanding	600	7,200		
To Insurance	1,500			
Less: Prepaid	500	1,000		
To Depreciation on Plant	6,000			
Furniture	3,500	9,500		
To Provision for Doubtful Debts		5,000		
To Provision for Discount on Debtors		1,900		
To Net Profit		34,600		
Total		1,30,400	Total	1,30,400



Balance Sheet
As at 31st December, 2022

Liabilities		Rs.	Assets		Rs.
Capital			Fixed Assets		
Opening Balance	1,50,000		Plant	60,000	
Add: Net Profit	34,600	1,84,600	Less: Provision for Depreciation	6,000	54,000
			Furniture	20,000	
Current Liabilities			Less: Provision for Depreciation	3,500	16,500
Sundry Creditors		20,000	Investments at 14% p.a.		10,000
Bank		24,000	Current Assets		
Commission received in advance		1,500	Cash in hand		5,400
Wages Outstanding		4,000	Sundry Debtors	1,00,000	
Salary Outstanding		3,000	Less: Provision for Doubtful Debts	5,000	
Rent Outstanding		2,500		95,000	
Office Expenses Outstanding		600	Less: Provision for Discount on Debtors	1,900	93,100
			Interest Accrued on Investments		700
			Prepaid Insurance		500
			Closing Stock		60,000
Total		2,40,200	Total		2,40,200