



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

Dr.

Cr.

Particulars	Rs.	Particulars	Rs.
To Opening Stock	40,000	By Sales	5,10,000
To Purchases	3,20,000	Add: Unaccounted Sales	12,000
Less: Returns Outwards	8,000		5,22,000
Less: Furniture	5,000	Less: Returns Inwards	7,000
To Manufacturing Expenses	44,000	By Closing Stock	60,000
To Carriage	3,500		
To Freight Inwards	4,300		
To Gross Profit	1,76,200		
	<b>5,75,000</b>		<b>5,75,000</b>
To Trade Expenses	7,200	By Gross Profit	1,76,200
To Salaries and Wages	15,800	By Discount	1,800
To Postage	1,500	By Rent	4,000
To Stationery	800	Less: Received in advance	2,000
To Insurance Premium	6,000		
Less: Prepaid	600		
To Interest on Naresh Loan	4,500		
To Advertisement	3,200		
To Depreciation on:			
Furniture	1,500		
To Patents Amortisation	1,600		
To Bad Debts	600		
To Provision for Doubtful Debts	2,070		
To Net Profit	1,35,830		
<b>Total</b>	<b>1,80,000</b>	<b>Total</b>	<b>1,80,000</b>



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

Liabilities		Rs.	Assets		Rs.
<b>Capital</b>			<b>Fixed Assets</b>		
Opening Balance	1,20,000		Land and Building		2,00,000
Add: Net Profit	1,35,830	2,55,830	Furniture	10,000	
			Add: Addition	5,000	
				15,000	
			Less: Provision for Depreciation	1,500	13,500
			Patents	8,000	
			Less: Amortisation	1,600	6,400
<b>Current Liabilities</b>			<b>Current Assets</b>		
Sundry Creditors		47,000	Cash		9,400
Bank		24,200	Sundry Debtors	80,000	
Loan from Mr. Naresh		40,000	Add: Unaccounted Sales	12,000	
Interest Accrued on Loan		4,500		92,000	
Rent Received in advance		2,000	Less: Bad Debts	600	
Outstanding Advertisement		3,200		91,400	
			Less: Provision for Doubtful Debts	4,570	86,830
			Prepaid Insurance Premium		600
			Closing Stock		60,000
<b>Total</b>		<b>3,76,730</b>	<b>Total</b>		<b>3,76,730</b>



**Working Notes**

<b>Particulars</b>	<b>Debit</b>	<b>Credit</b>
Debtors	12,000	
Sales		12,000

