



TRADING AND PROFIT AND LOSS ACCOUNT

as on 31st March, 2017

Dr.			Cr.	
Particulars		Amount (Rs.)	Particulars	Amount (Rs.)
To Opening Stock		35,000	By Sales	2,50,000
To Purchase	1,25,000		(-) Sales Return	25,000
(-) Purchase Return	6,000	1,19,000	By Closing Stock	10,000
To Wages	3,000			
(-) Prepaid Wages	1,000	2,000		
To Gross Profit c/d		79,000		
		2,35,000		2,35,000
To Salary		12,300	By Gross Profit b/d	79,000
To Postage and Telegram		600	By Accrued Interest on	
To Rent and Rates		1,000	Investment	1,155
To Packing and Transport		500	By Discount	1,000
To General Expenses		400	By Interest Received	5,400
To Insurance		4,000		
To Lighting and Heating		5,000		
To Discount		3,500		



Dr.		Cr.	
Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Bad Debts	3,500		
(+) Further Bad Debts	1,500		
(+) New Provision	2,910		
(-) Old Provision	4,500		
(+) Discount	2,280		
To Depreciation on Machinery	1,000		
To Net Profit	52,565		
	86,555		86,555





BALANCE SHEET

Liabilities		Amount (Rs.)	Assets		Amount (Rs.)
Capital	75,000		Investment	23,100	
(+) Net Profit	52,565	1,27,565	Accrued Interest	1,155	24,255
			Closing Stock		10,000
Creditors		10,000	Prepaid Wages		1,000
Bills Payable		20,000	Machinery	20,000	
			(-) Depreciation @ 5%	1,000	19,000
			Cash in Hand		20,000
			Cash in Bank		40,000
			Debtors	50,000	
			(-) Bad Debts	1,500	
				48,500	
			(-) New Provision	2,910	
				45,590	
			(-) Discount	2,280	43,310
		1,57,565			1,57,565



Working Note:

Sundry Debtors	50,000
(-) Further Bad Debts	1,500
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	48,500
(-) Provision (6%)	2,910
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	45,590
(-) Discount (5%)	2,280
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	Rs. 43,310

