



TRADING AND PROFIT AND LOSS ACCOUNT

as on 31st March, 2017

Dr.			Cr.	
Particulars		Amount (Rs.)	Particulars	Amount (Rs.)
To Opening Stock		2,26,000	By Sales	6,80,000
To Purchase	4,40,000		(-) Return Inwards	10,000
(-) Return Outwards	15,000	4,25,000	By Closing Stock	30,000
To Freight Inward		3,400		
To Heat and Power		8,000		
To Gross Profit		37,600		
		7,00,000		7,00,000
To Salary and Wages		5,000	By Gross Profit b/d	37,600
To Trade Expenses		3,300	By Interest Received	20,000
To Legal Expenses		3,000		
To Postage and Telegram		1,000		
To Bad Debts	6,500			
(+) Provision	1,250	7,750		



Dr.		Cr.	
Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Insurance	3,500		
(-) Prepaid	600		
	2,900		
To Depreciation on Building	5,000		
To Depreciation on Motor Van	3,000		
To Manager's Commission $\left[26,650 \times \frac{5}{105} \right]$	1,269		
To Net Profit	25,381		
	57,600		
			57,600



BALANCE SHEET

Liabilities		Amount (Rs.)	Assets		Amount (Rs.)
Capital	3,50,000		Machinery		22,000
(-) Profit (Net)	25,381		Investments		40,000
	<u>3,75,381</u>		Buildings	1,00,000	
(-) Drawings	75,000	3,00,381	(-) Depreciation	5,000	95,000
Creditors		50,000	Motor Van	30,000	
Bills Payable		63,700	(-) Depreciation @ 10%	3,000	27,000
Manager's Commission Outstanding		1,269	Cash in Hand		79,000
			Cash at Bank		98,000
			Sundry Debtors	25,000	
			(-) Provision for Bad Debts	1,250	23,750
			Prepaid Insurance		600
			Closing Stock		30,000
		<u>4,15,350</u>			<u>4,15,350</u>