# Adjustments in Preparation of Financial Statements Q - 15



#### **BAD DEBTS ACCOUNT**

Dr. Cr.

Date	Particulars	Rs.	Date	Particulars	Rs.
31-03-2017	To Balance b/d	2,000	31-03-2017	By Provision for Bad Debts A/c	2,500
31-03-2017	To Debtors' A/c	500			
		0			
		2,500			2,500

### PROVISION FOR BAD DEBTS ACCOUNT

Dr. Cr.

Date	Particulars	Rs.	Date	Particulars	Rs.
31-03-2017	To Bad Debts A/c	2,500	31-03-2017	By Balance b/d	5,000
31-03-2017	To Profit and Loss A/c	API	IIUDE	(Old Provision)	
31-03-2017	(b/f)	115			
	To Balance c/d				
	@ 3% on 79,500	2,385	*	-	
			7/		
		5,000			5,000

XI Accountancy NCERT Book

# Adjustments in Preparation of Financial Statements Q - 15

### AccountsAptitude.com



### **BALANCE SHEET**

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)	
		Debtors	80,000	
		(-) Bad Debts	500	
		(-) Provision for Bad	2,385	77,115
		Debts		
	1			
				77,115
	100			

### PROFIT AND LOSS ACCOUNT

Dr. Cr.

Date	Particulars		Rs.	Date	Particulars	Rs.
	To Bad Debts A/c	2,000	JUNI	8	By Old Provision for	5,000
	(+) Further Bad Debts	500	TIDE		Doubtful Debts	
	(+) New Provision for Bad	TAVE		Ti I		
	Debts	2,385	4,885	1 4		
				-		
	To Balancing Figure	* *	115			
			5,000			5,000