



Manpreet
Trading Account and Profit & Loss Account
For the year ending 31st March, 2024

Dr.		Rs.	Cr.	
Particulars			Particulars	Rs.
To Opening Stock		40,200	By Sales	1,91,940
To Purchases	1,32,700		Less: Returns Inwards	1,250
Less: Returns Outwards	970	1,31,730	By Closing Stock (30,000+8,000)	38,000
To Wages	31,250			
Add: Outstanding	700			
	31,950			
Less: Wages for Machinery				
Installation	500	31,450		
To Carriage Inwards		3,400		
To Gross Profit		21,910		
		2,28,690		2,28,690



Trading Account and Profit & Loss Account (Contd.)
For the year ending 31st March, 2024

Dr.

Cr.

Particulars	Rs.	Particulars	Rs.
To Discount Allowed	2,640	By Gross Profit	21,910
To Bank Charges	90	By Discount received	2,000
To Salaries	5,610		
Add: Outstanding	500		
To Bad Debts	1,000		
Add: Further Bad Debts	300		
Add: New Provision	1,400		
	2,700		
Less: Old Provision	800		
To Insurance	1,250		
Less: Prepaid	250		
To Rent	2,450		
To Advertisement	3,500		
Less: Prepaid	500		
To Depreciation on:			
Machinery	1,810		
Furniture	510		
To Loss due to Fire	3,000		
To Net Profit	1,400		
Total	23,910	Total	23,910



Balance Sheet
As at 31st March, 2024

Liabilities		Rs.	Assets		Rs.
Capital			Fixed Assets		
Opening Balance	1,00,000		Building		21,700
Add: Net Profit	1,400		Machinery (14,600+3,000+500)	18,100	
	1,01,400		Less: Provision for Depreciation	1,810	16,290
Less: Drawings	4,200	97,200	Furniture	3,400	
			Less: Provision for Depreciation	510	2,890
Current Liabilities			Current Assets		
Bank Loan		10,000	Cash in Hand		2,650
Sundry Creditors	12,450		Cash at Bank		2,470
Add: Creditor for Machinery	3,000	15,450	Sundry Debtors	43,800	
			Less: Further Bad Debts	300	
Outstanding Wages		700		43,500	
Outstanding Salaries		500	Provision for Doubtful Debts	1,400	42,100
			Closing Stock	38,000	
			Less: Destroyed due to Fire	8,000	30,000
			Prepaid Insurance		250
			Prepaid Advertisement		500
			Insurance Company (Claim Receivable)		5,000
Total		1,23,850	Total		1,23,850



Working Notes

Bad Debts A/c

Dr.			Cr.		
Date	Particulars	Rs.	Date	Particulars	Rs.
31-Mar-24	To Balance b/d	1,000	31-Mar-24	By Provision for Doubtful Debts A/c	1,000
31-Mar-24	To Sundry Debtors A/c	300	31-Mar-24	By Provision for Doubtful Debts A/c	300
		1,300			1,300

Provision for Doubtful Debts A/c

Dr.			Cr.		
Date	Particulars	Rs.	Date	Particulars	Rs.
31-Mar-24	To Bad Debts A/c	1,000	31-Mar-24	By Balance b/d	800
31-Mar-24	To Bad Debts A/c	300	31-Mar-24	By Profit & Loss A/c (B.F.)	1,900
31-Mar-24	To Balance c/d	1,400			
		2,700			2,700

Sundry Debtors A/c

Dr.			Cr.		
Date	Particulars	Rs.	Date	Particulars	Rs.
31-Mar-24	To Balance b/d	43,800	31-Mar-24	By Bad Debts A/c	300
			31-Mar-24	By Balance c/d	43,500
		43,800			43,800