

**Course
&
Test Series**

Self-Made Assignment - Manual Accounting

Financial Statement with Adjustments - Interest on Loans and Bad debts

Question:

Prepare the trading profit and loss account of M/s Sunil Traders as on 31 March 2017 and draw necessary Journal entries and balance sheet as on that date:

<i>Debit Balances</i>	<i>Amount ₹</i>	<i>Credit Balances</i>	<i>Amount ₹</i>
Opening stock	24,000	Sales	4,00,000
Purchases	1,60,000	Return outwards	2,000
Cash in hand	16,000	Capital	1,50,000
Cash at bank	32,000	Creditors	64,000
Return inwards	4,000	Bills payable	20,000
Wages	22,000	Commission received	4,000
Fuel and Power	18,000		
Carriage inwards	6,000		
Insurance	8,000		
Buildings	1,00,000		
Plant	80,000		
Patents	30,000		
Salaries	28,000		
Furniture	12,000		
Drawings	18,000		
Rent	2,000		
Debtors	80,000		
	6,40,000		6,40,000

Adjustments:

- (a) Salaries outstanding Rs 12,000.
- (b) Wages outstanding Rs 6,000.
- (c) Commission is accrued Rs 2,400.
- (d) Depreciation on building 5% and plant 3%.
- (e) Insurance paid in advance Rs 700.
- (f) Closing stock 12,000.