

**Course
&
Test Series**

Self-Made Assignment - Manual Accounting

Financial Statement with Adjustment - Closing Stock and Outstanding Expenses

Question:

From the following trial balance of M/s Kaushal Traders, prepare Trading and Profit and Loss Account for the year ended 31st March 2012 and a Balance Sheet as on that date :

Dr. Balances	₹	Cr. Balances	₹
Opening stock on 1st April, 2011	16,000	Capital	80,000
Purchases	75,000	Sales	2,00,000
Sales returns	5,000	Purchases returns	2,000
Carriage inwards	1,500	Discount	500
Plant and Machinery	40,000	Sundry creditors	10,000
Furniture and fixtures	5,000	Bills payable	1,500
Freehold property	45,650		
Cash in hand	5,000		
Carriage outwards	400		
Wages	30,000		
Salaries	18,000		
Lighting (factory)	800		
Sundry debtors	28,000		
Travelling expenses	1,200		
Rent and taxes	4,800		
Drawings	5,000		
Insurance	450		
General expenses	12,200		
	2,94,000		2,94,000

Adjustments:

- i. Stock on 31st March 2012 was valued at Rs.38,000 (market value Rs.20,000).
- ii. Wages amounting to Rs.2,000 and salaries amounting to Rs.1,500 are outstanding.
- iii. Prepaid insurance amounted to Rs.150.
- iv. Provide depreciation on plant and machinery at 5% and on furniture and fixtures at 10%.

...many more

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