

Q. 5. The Trial Balance shows the following balances as on 31-12-1993 :—

| | | | |
|-----------------------|-----------------|-------------------|-----------------|
| Purchases | Rs. [redacted] | Capital | Rs. [redacted] |
| Sales Returns | 60,000 | Sales | 1,13,075 |
| Plant and Machinery | 1,500 | Purchases Returns | 1,27,000 |
| Opening Stock | 90,000 | Discount Received | 1,275 |
| Discount Allowed | 40,000 | Sundry Creditors | 800 |
| Bank Charges | 350 | Bills Payable | 20,000 |
| Sundry Debtors | 100 | | 5,000 |
| Salaries | 45,000 | | |
| Wages | 7,000 | | |
| Freight : In | 10,000 | | |
| Freight : Out | 1,000 | | |
| Rent, Rates and Taxes | 1,200 | | |
| Advertisements | 2,000 | | |
| Cash at Bank | 2,000 | | |
| | 7,000 | | |
| | <u>2,67,150</u> | | <u>2,67,150</u> |

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FINANCIAL STATEMENTS

Closing Stock was valued at Rs. 35,000. Prepare Trading and Profit and Loss Account for the year ended 31-12-1993 and Balance Sheet as on that date.

[**Ans.** Gross Profit Rs. 50,775; Net Profit Rs. 38,925 and Balance Sheet Total Rs. 1,77,000.]