

ILLUSTRATION 6.

Given below is the Trial Balance of Sh. Gopi Chand as on 31st March, 1994. You are required to prepare a Trading and Profit & Loss A/c for the year ended 31st March, 1994 and Balance Sheet as at that date :—

| Debit Balances | Rs. | Credit Balances | Rs. |
|-----------------------|----------|-------------------|----------|
| Opening Stock | 45,000 | Sundry Creditors | 22,100 |
| Purchases | 1,20,000 | Return outwards | 2,500 |
| Return inwards | 3,200 | Sales | 3,50,000 |
| Carriage inwards | 2,400 | Capital | 2,00,000 |
| Carriage outwards | 1,500 | Loan from Bank | 24,000 |
| Office furniture | 8,000 | Discount Received | 2,000 |
| Sundry Debtors | 68,000 | Commission | 1,600 |
| Dock Charges | 5,000 | | |
| Electric Power | 10,000 | | |
| Fuel, Gas and Water | 12,000 | | |
| Bad-debts | 1,100 | | |
| Advertisement | 25,000 | | |
| Salary | 36,000 | | |
| Cash in hand | 8,100 | | |
| Cash at Bank | 30,000 | | |
| Motor Vehicles | 58,000 | | |
| Motor Repairs | 3,000 | | |
| Interest on Bank Loan | 2,400 | | |

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FINANCIAL STATEMENTS

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|--------------------------|-----------------|-----------------|
| Rent and Insurance - P/L | 24,500 | |
| Business Premises - A | 1,06,000 | |
| Household expenses - L | 33,000 | |
| | <u>6,02,200</u> | <u>6,02,200</u> |

Stock at the end Rs. 75,000.