

CBSE Class 11th Important Question

From the following balances extracted from the books of Chintan Shah prepare the Trading and Profit and Loss Account for the year ended 31st March, 2013 and the Balance Sheet as that date after taking into consideration the adjustments given below: (12)

Trial Balance As on 31st March,2013

Particulars	Dr. Rs.	Cr. Rs.
Drawings and Capital-----	7,500	50,000
Purchases and Sales-----	72,100	95,000
Returns -----	1,300	2,700
Sundry Debtors and Creditors-----	18,200	35,750
Stock(1 st April.2013)-----	19,800	
Bad debts-----	3,000	
Bills Receivable and Payable-----	12,000	23,000
Cash in hand-----	300	
Office Expenses-----	6,210	
Sales Van-----	15,000	
Sales Van Expenses-----	1,400	
Discount-----		2,910
Rents and Taxes-----	10,700	
Telephone Charges-----	1,050	
Postage and Telegram-----	950	
Furniture (Purchased on 1 st Jan,2013)	5,000	
Printing and stationery-----	2,750	
Commission-----	8,400	
Carriage Inwards-----	3,200	
Salaries and Wages-----	<u>20,500</u>	
	<u>2,09,360</u>	<u>2,09,360</u>

Adjustments::

1) Closing Stock was valued at Rs 61,700 and market value is Rs.60,000 (2) Depreciate Furniture and Machinery @10% p.a. and Sales Van @20%p.a. (3) Outstanding Rent amounted to Rs 900. (4) Bad Debts Rs 200 (5) Make a provision for Doubtful Debts @5% on Debtors. (6) Charge one –fourth of Salaries and Wages to the Trading Account. (7) A new machinery was purchased on credit and installed on 31st December costing Rs 15,000. No entry for the same has yet been passed in the books. (8) Stationary stock is Rs.250 (9) Credit purchase of Rs.3,000 is not recorded in the books of accounts.(10) Opening stock include the stationary stock of Rs.1,800.

Final Accounts:

Q 1 The Trail Balance of a business as on 31st March, 2014 is given below (12)

Debit balances	Rs.	Credit Balances	Rs.
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Stock(1.4.2010)	25,000	Sales	2,27,800
Furniture	8,000	Commision	500
Plant and Machinery	140,000	Return Outwards	1,000
Additions to Plant and Machinery(1.10.2010)	10,000	Creditors	40,000
Debtors	30,000	Capital	1,50,000
Wages	12,000	Bad debts reserve	700
Salaries	20,000		
Bad Debts	1,700		
Purchases	1,20,000		
Electricity Charges	1,200		
Telephone Charges	2,400		
General Expences	3,000		
Postage and telegram	1,800		
Return Inwards	900		
Insurance Premium	1,500		
Cash in hand	2,500		
Cash at Bank	40,000		
	4,20,000		4,20,000

Prepare the Trading account and the Profit and Loss account for the year ended 31st March, 2014 and the Balance Sheet as at that date after taking into account the following adjustments:

1. Closing Stock value at Rs 7,000 but out of this 50% of the goods valued 50% less.
2. Outstanding liabilities for wages Rs 600 and salaries Rs 1,400.
3. Depreciation is to be provided @ 5% p.a. on all fixed assets.
4. Insurance premium paid in advance Rs 200.
5. VAT paid 5% on sales are not recorded in the books of accounts.
6. Bad debts to be written of Rs.2,000 and BDR at 5% from the debtors.
7. Apprentice premium received Rs.3,000 is not recorded in the books of accounts and it is received for 2 years.
8. Electricity charges are paid for 6 months only.