1. **2022 December [10 Marks]**

 **Balance Sheet of S as on 31st March, 2022**

|  |  |  |  |
| --- | --- | --- | --- |
| Liabilities | Rs. | Assets | Rs. |
| Capital | 22,00,000 | 31,50,000 | Cash at Bank | 5,50,000 |
| *Add:* Net Profit (WN.1) | 6,50,000 | Trade receivables | 12,61,000 |
|  |  | (WN. 2) |  |
|  | 28,50,000 | Vehicles (WN. 3) | 2,70,000 |
| *Add:* Introduction of capital | 3,00,000 | Furniture & Fixtures | 5,85,000 |
|  | (WN. 4) |  |
| Outstanding commission |  | Inventories | 6,50,000 |
| 35,000 | Prepaid expenses | 15,000 |
| Trade payables | 1,46,000 |
| 33,31,000 | 33,31,000 |

**Working Note 1**

**Profit and Loss Account (Revised)**

|  |  |  |  |
| --- | --- | --- | --- |
| Particulars | Rs. | Particulars | Rs. |
| To Outstanding Commission To Net profit | 35,0006,50,000 | By Balance b/dBy Prepaid expenses | 6,70,00015,000 |
| 6,85,000 | 6,85,000 |

**Working Note 2**

**Trade Receivables**

|  |  |  |  |
| --- | --- | --- | --- |
| Particulars | Rs. | Particulars | Rs. |
| To Balance b/d | 13,00,000 | By Provision for Doubtful Debts By Balance c/d (b/f) | 39,00012,61,000 |
| 13,00,000 | 13,00,000 |

 **Working Note 3**

 **Vehicles A/c**

|  |  |  |  |
| --- | --- | --- | --- |
| Particulars | Rs. | Particulars | Rs. |
| To Balance b/d To Bank a/c | 2,75,00050,000 | By DepreciationBy Balance c/d (b/f) | 55,0002,70,000 |
| 3,25,000 | 3,25,000 |

**2. 2022 May [20 Marks]**

 **In the books of Mr. B**

**Manufacturing Account for the year ended 31st March, 2021**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Particulars |  | Rs. | Particulars | Rs. |
| To Opening Stock of | 17,50,000 | 5,25,000 | By Cost of Manufactured | 28,28,000 |
| Raw Materials |  | goods transferred to |
|  |  | Trading A/c |
| To Purchase |  |
| Less: Purchase Return | 17,500 | 17,32,500 |
| To Carriage Inwards |  | 52,500 |
| To Direct Wages | 2,80,000 |
| To Power | 1,05,000 |
| To Coal and fuel | 52,500 |
| To Factory Rent and | 70,000 |
| Rates |
| To Depreciation on | 10,500 |
| Machinery |
| 28,28,000 | 28,28,000 |

**Trading Account for the year ended 31st March, 2021**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Particulars | Rs. | Particulars |  | Rs. |
| To Opening Stock of finished goods | 2,62,500 | By Sales | 29,75,000 | 29,40,0003,50,000 |
| To Cost of goods transferred from Manufacturing A/c | 28,28,000 | Less: Sales Return By Closing Stock | 35,000 |
|  |
| To Gross Profit c/d | 1,99,500 |
| 32,90,000 | 32,90,000 |

**Profit and Loss Account for the year ended 31st March, 2021**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Particulars |  | Rs. | Particulars | Rs. |
| To Carriage Outward | 70,000 | 24,500 | By Gross Profit b/d | 1,99,500 |
| To Discount Allowed | 10,500 | By Accrued Commission\* | 43,750 |
| To Commission Paid | 17,500 | By Accrued Interest | 52,500 |
| To Dividend Paid | 14,000 |
| To General Expenses | 14,000 |
| To Advertisement | 17,500 |
| To Salaries |  |
| Add: Outstanding | 7,000 | 77,000 |
| To Interest Paid | 24,5005,250 | 19,250 |
| Less: Prepaid |
| To Provision for Bad & | 7,000 | 14,000 |
| Doubtful Debts |
| Add: Bad Debts | 14,000 |
| Less: Old Provision for | 7,000 |
| Doubtful Debts |
| To Depreciation on Building |  | 3,500 |
| To Net Profit c/d | 84,000 |
| 2,95,750 | 2,95,750 |

\*Alternatively Accrued Commission may be treated as Expenses, in that case total Commission will be Rs. 61,250 (Rs.17,500 + Rs.43,750) and Net Loss will be Rs. 3,500.

**Balance Sheet as on 31st March, 2021**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Capital and Liabilities |  | Rs. | Assets |  | Rs. |
| Capital | 3,50,000 | 3,64,000 | Plant & Machinery | 1,05,000 | 94,500 |
| Add: Net Profit\*\* | 84,000 | Less: Depreciation | 10,500 |
| Less: Drawings | 4,34,000 | Land & BuildingLess: Depreciation | 3,50,000 | 3,46,500 |
| 70,000 | 3,500 |
| Bills Payable |  | 84,000 | Furniture & Fixtures | 1,40,000 | 52,500 |
| Sundry Creditors | 1,75,000 | Investments | 87,500 |
| Salary Outstanding | 7,000 | Closing Stock | 3,50,000 |
| Long-Term Loans | 7,00,000 | Loose Tools | 1,05,000 |
| Bank Overdraft | 80,500 | Sundry Debtors |
|  |  |  | Less: Provision for Bad & Doubtful Debts | 7,000 | 1,33,000 |
| Bills Receivable |  | 52,500 |
| Accrued Commission | 43,750 |
| Accrued Interest | 52,500 |
| Prepaid Interest | 5,250 |
| Cash in Hand | 70,000 |
| Cash at Bank | 17,500 |
| 14,10,500 | 14,10,500 |

\*\*If Accrued Commission is treated as expenses in that case Net Loss of Rs. 3,500 will be deducted from Capital Account and Closing Capital figure will be Rs. 2,76,500 and Accrued Commission Rs. 43,750 will appear under liability side of Balance Sheet.

1. **2021 December [15 Marks]**

 **In the books of Mr. Black**

**Manufacturing Account for the year ended 31st March, 2021**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Particulars |  | Rs. | Particulars | Rs. |
| Raw material consumed: |  |  | By | Closing Stock Work in Progress | of | 78,000 |
| To Opening Stock of Raw Materials*Add:* Purchases*Less:* Closing Stock | 2,10,0008,50,0001,62,000 | 8,98,000 | By Sale of ScrapBy Cost of goods Manufactured(Transferred to Trading Account) | 25,00011,90,000 |
| To Opening Stock of WIP | 1,30,00020,000 | 95,000 |
| To Wages | 1,50,000 |
| *Add*: Outstanding |
| Wages | 15,000 |
| To Carriage on |  |
| Purchases | 11,000 |
| To Repairs to Plant |
| To Rent (3/4) | 45,000 |
| To Lighting (2/3) | 9,000 |
| To Depreciation of Plant | 70,000 |
| 12,93,000 | 12,93,000 |

**Trading Account for the year ended 31st March, 2021**

|  |  |  |  |
| --- | --- | --- | --- |
| Particulars | Rs. | Particulars | Rs. |
| To Opening Stock of finished goods | 1,55,000 | By Sales | 16,72,000 |
| To Cost of goods transferred from | 11,90,000 | By Closing Stock | 1,81,000 |
| Manufacturing A/c |  |
| To Gross Profit c/d | 5,08,000 |
| 18,53,000 | 18,53,000 |

**Profit and Loss Account for the year ended 31st March, 2021**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Particulars |  | Rs. | Particulars | Rs. |
| To Salaries | 1,00,000 | 1,09,000 | By Gross Profit b/d | 5,08,000 |
| *Add:* Outstanding | 9,000 | By Commission | 4,500 |
| To Telephone & Postage | 10,000 |
| To Repairs to Furniture | 3,500 |
| To Depreciation of | 7,500 |
| furniture |  |
| To Rent (1/4) | 15,000 |
| To Lighting (1/3) | 16,720 | 4,500 |  |  |
| To General Expenses | 15,000 |
| To Provision for doubtful |  |
| Debts: Required (1% of |  |
| Rs.1,67,200) |  |  |
| *Less:* Existing Provision | 16,500 | 220 |
| To Net Profit |  | 3,47,780 |
| 5,12,500 | 5,12,500 |

1. 2021 July [10 Marks]

 **In the books of M/s Designer wear**

**Trading and Profit & Loss Account (for the year ending 31 .3.2021)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  | Rs. |  |  | Rs. |
| To | Purchases | 17,00,000 | By | Sales | 20,00,000 |
| To | Gross profit | 8,50,000 | By | Closing stock | 5,50,000 |
|  |  | 25,50,000 |  |  | 25,50,000 |
| To | Interest | 33,300 | By | Gross profit | 8,50,000 |
|  | (9,000+8,550+8,100+7,650) |  |
| To | Telephone charges | 50,000 |
| To | Travelling expenses | 45,000 |
| To | Maintenance expenses | 25,000 |
| To | Entertainment expenses | 5,000 |
| To | Electricity exp 40,000 |  |
|  | Add: outstanding 20,000 | 60,000 |
| To | Carriage outward | 60,000 |
| To | Depreciation |  |
|  | Building 5% 30,000 |  |
|  | Furniture 10% 1,000 | 31,000 |
| To | Misc. exp | 15,000 |
| To | Net profit | 5,25,7008,50,000 |  |  |  |
| 8,50,000 |

**Balance Sheet as on 31st March, 2021**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| LIABILITIES | Rs. | Rs. | ASSETS | Rs. | Rs. |
| Capital | 3,00,000 | 9,65,700 | Building | 6,00,000 | 5,70,000 |
| Further Capital | 2,00,000 | Less: dep | 30,000 |
| Less: Drawings | (60,000) | Furniture | 10,000 |  |
| Add: Net profit | 5,25,700 | Less: dep | 1,000 | 9,000 |
|  |  |  | Security | 7,000 |
|  |  |  | deposit- |  |
| Bank Loan | 3,00,000 |  | Telephone |  |
| Less: repayment | 60,000 | 2,40,000 | Bank | 89,700 |
| outstanding | 20,000 | Closing stock | 5,50,000 |
| electricity exp |  |  |
| 12,25,700 | 12,25,700 |

**Working note:**

 **Bank Account**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **PARTICULARS** | **RS.** |  | **PARTICULARS** | **RS.** |
| To | Capital | 3,00,000 | By | Building | 6,00,000 |
| To | Further capital | 2,00,000 | By | Furniture | 10,000 |
| To | Bank loan | 3,00,000 | By | Bank loan repaid | 60,000 |
| To | Sales | 20,00,000 | By | Interest | 33,300 |
| By | Security deposit | 7,000 |
| By | Drawings | 60,000 |
| By | Purchase | 17,00,000 |
| By | Telephone charges | 50,000 |
| By | Travelling expenses | 45,000 |
| By | Maintenance | 25,000 |
|  | expenses |  |
| By | Entertainment | 5,000 |
|  | expenses |  |
| By | Electricity | 40,000 |
|  | By | Carriage outward | 60,000 |
| By | Misc. expenses | 15,000 |
|   | By | Balance c/d |  89,700 |
| 28,00,000 |  |  | 28,00,000 |

5. 2021 July [5 Marks]

1. Transfer to provisions - (i), (iv)
2. Transfer to reserves - (ii)
3. Neither related to provisions nor reserves - (iii), (v).

**6. 2020 November [5 Marks]**

 **(i) Amount of salaries to be charged to P & L A/c for the year ended 31stDecember, 2019**

Employees = 9 x Rs. 44,000 x 12 = Rs.47,52,000 Trainees = 2 x Rs. 21,000 x 6 = Rs. 2,52,000 Salaries charged to P & L A/c Rs.50,04,000

 **(ii) Amount actually paid as salaries during 2019**

Employees = 9 x Rs. 44,000 x 11 + 9 x Rs. 40,000 = Rs. 47,16,000

Trainees = 2 x Rs.21,000 x 5 = Rs. 2,10,000

Amount paid as salaries Rs. 49,26,000

 **(iii) Outstanding salaries as on 31.12.2019**

Employees = 9 x Rs. 44,000 = Rs. 3,96,000

Trainees = 2 x Rs. 21,000 = Rs. 42,000 Outstanding salaries Rs. 4,38,000

**7. 2020 November [10 Marks]**

**Manufacturing A/c**

|  |  |  |  |
| --- | --- | --- | --- |
| **Particulars** | Rs. | **Particulars** | Rs. |
| To Raw Material Consumed (Balancing Figure)To Wages (W.N. 2)To Depreciation (W.N. 1)To Direct Expenses (W.N. 3) | 9,15,0003,15,0003,95,0002,07,000 | By Trading A/c (W.N. 4) | 18,32,000 |
| **18,32,000** | **18,32,000** |

**Raw Material A/c**

|  |  |  |  |
| --- | --- | --- | --- |
| **Particulars** | Rs. | **Particulars** | Rs. |
| To Opening Stock A/c | 1,27,000 | By Raw Material Consumed (from | 9,15,000 |
|  |  | Manufacturing A/c above) |
| To Creditors A/c (W.N. 5) | 14,40,000 | By Closing Stock A/c | 6,52,000 |
| (Balancing Figure) |
| 15,67,000 | 15,67,000 |

**Working Notes:**

1. Since purchase of Machinery worth Rs. 12,00,000 has been omitted.

So, depreciation omitted from being charged = 12,00,000 X 15%

= Rs. 1,80,000

Correct total depreciation expense = Rs. (2,15,000 + 1,80,000)

= 3,95,000

1. Wages worth Rs. 50,000 will be excluded from manufacturing account as they pertain to office and hence will be charged P&L A/c. So the revised wages amounting

Rs. 3,15,000 will be shown in manufacturing account.

1. Expenses to be excluded from direct expenses:

Office Electricity Charges (80,000 X 25%) 20,000

Delivery Charges to Customers 22,000

Total expenses not part of Direct Expenses 42,000

=> Revised Direct Expenses = Rs. (2,49,000 - 42,000)

= Rs. 2,07,000

Fuel charges are related to factory expenses and also freight inwards are incurred for bringing goods to factory/ godown so they are part of direct expenses.

1. Revised Balance to be transferred to Trading A/c:

|  |  |  |
| --- | --- | --- |
|  | **Particulars**Current Balance transferred | Rs.17,44,000 |
| Add: Depreciation charges not recorded earlier | 1,80,000 |
| Less: Wages related to Office | (50,000) |
| Less: Office Expenses | (42,000) |
|  |  |
| Revised balance to be transferred | **18,32,000** |
| (V)  | **Creditors A/c** |  |
| **Particulars** | Rs. | **Particulars** | Rs. |
| To Bank A/c | 23,50,000 | By Balance b/d | 15,70,000 |
| To Balance c/d |  | By Raw Materials A/c |  |
| 6,60,000 | (Bal. figure) | 14,40,000 |
| 30,10,000 | 30,10,000 |

# 8. 2019 November [5 Marks]

#  In the Books of Mr. Shyamal

**Manufacturing Account for the Year ended 31.03.2019**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Particulars |  | Units | AmountRs. | Particulars | Units | AmountRs. |
| To Opening Work- in-Process |  | 9,000 | 26,000 | By Closing Work- in-Process | 14,000 | 48,000 |
| To Raw Materials Consumed:Opening Inventory*Add:* PurchasesInventoryTo Direct Wages– W.N. (1)To Direct expenses:Hire charges on Machinery– W.N. (2)To Indirect expenses: Hire charges of FactoryRepairs &Maintenance | 2,60,0008,20,000 |  | 7,60,000 | By Trading A/c – Cost of finished goods transferred | 5,00,000 | 19,33,600 |
| 10,80,000(3,20,000) |
|  | 4,05,600 |  |
| 3,50,000 |  |
| 2,60,000 |  |
|  1,80,000 | \_\_\_\_\_\_\_\_ |
| 19,81,600 | 19,81,600 |

# Working Notes:

## (1) Direct Wages – 5,00,000 units @ Rs.0.80 = Rs.4,00,000 14,000 units @ Rs.0.40 = Rs. 5,600

Rs. 4,05,600

(2) Hire charges on Machinery – 5,00,000 units @ Rs.0.70 = Rs.3,50,000

**9. 2019 November [10 Marks]**

 **Profit and Loss Account (Revised)**

|  |  |  |  |
| --- | --- | --- | --- |
| Particulars | Rs. | Particulars | Rs. |
| To Outstanding expenses To Net profit | 1,85,00013,50,000 | By Balance b/dBy Prepaid insurance | 15,10,00025,000 |
| 15,35,000 | 15,35,000 |

**Balance Sheet of Mittal as on 31st December, 2018**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Liabilities |  | Rs. | Assets | Rs. | Rs. |
| Capital | 51,00,000 |  | Cash at Bank |  | 5,20,000 |
| *Add:* Net Profit | 13,50,000 | 61,36,000 | Trade receivables | 21,00,000 | 19,95,000 |
|  | 64,50,000 | *Less:* Provision for |  |
|  |  | doubtful debts | (1,05,000) |
| *Less:* Drawings | (6,20,000) | Plant and | 31,00,000 | 27,90,000 |
|  | Machinery | (3,10,000) |
| *Add:* Interest on | 58,30,0003,06,000 | *Less:* DepreciationFurniture & Fixtures |
| 4,00,000 |
| capital | 1,85,000 | *Less:* Depreciation | (20,000) | 3,80,000 |
| Outstanding |  |
| expenses | 13,84,000 | Inventories | 19,95,000 |
| Trade payables |  |
| Prepaid insurance | 25,000 |
| 77,05,000 | 77,05,000 |
|  |  |

1. **2019 May [20 Marks]**

 **Trading & Profit and Loss Account of**

**Mr. Sandeep for the year ended 31st December, 2018**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Particular s | Rs. | Rs. | Particular s | Rs. | Rs. |
| To | Opening Stock | return | 12,000 | 1,400 | By | Sales | 9,000 | 8,000 |
| To | Purchase |  |  | *Less*: Sales return | (1,000) |
| *Less:* Purchase | (2,000) | 10,000 | By | Closing stock | 4,500 |
| To | Gross ProfitTo SalaryAdd: Outstanding salaryTo Tax & InsuranceAdd: Outstanding Prepaid insuranceTo Bad debtOpening provision Closing provisionTo Interest on overdraftTo Depreciation on furniture 2,500100500200(50)500(1,000)1,000 12,5002,600650500300160 By Gross ProfitBy CommissionLess: Advance By Accrued interest By Net Loss 500(100) 12,5001,1004002102,500 4,210 4,210 |  |  1,100 |
| To Salary*Add:* Outstanding salaryTo Tax & Insurance*Add:* Outstanding Prepaid insuranceTo Bad debtOpening provision Closing provisionTo Interest on overdraftTo Depreciation on furniture | 2,500100500200(50)500(1,000)1,000 | 12,5002,600650500300160 | By Gross ProfitBy Commission*Less:* Advance By Accrued interest By Net Loss | 500(100) | 12,5001,1004002102,500 |
| 4,210 | 4,210 |

# Balance Sheet of Mr. Sandeep as on 31.3.2018

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Particular s | Rs. | Rs. | Particular s | Rs. | Rs. |
| Capital*Less:* drawing Net lossBank overdraft Add: interest CreditorsBills payableOutstanding expenses: SalaryTaxCommission received in advance | 16,000(2,000)(2,500)2,000300100200 | 11,5002,3002,0002,500300100 | By Furniture*Less*: Depreciation Bill receivable InvestmentAdd: accrued interestDebtors*Less:* Provision on bad debtsClosing stock Cash in hand Prepaid insurance | 1,600(160)4,0002105,000(1,000) | 1,4403,0004,2104,0004,5001,50050 |
| 18,700 | 18,700 |

1. **2018 November [5 Marks]**

 **Trading and P&L A/c for the year ended 31st March 2018**

 Dr. Cr.

|  |  |  |  |
| --- | --- | --- | --- |
| Particulars | Rs. | Particulars | Rs. |
| To Cost of Goods Sold | 22,00,000 | By Sales | 45,00,000 |
| To Gross Profit c/d | 23,00,000 |  |
| To Salaries A/c | 45,00,000 | By Gross Profit b/d | 45,00,000 |
| 12,00,000 | 23,00,000 |
| To General Expenses To Selling Expenses (1% of 45,00,000)To Commission to Manager (on Net Profit before charging such commission)To Net Profit | 6,00,00045,0001,00,0004,00,000 | By Other Income | 45,000 |
| 23,45,000 | 23,45,000 |

1. **2018 May [20 Marks]**

 **M/s Raghuram & Associates**

 **Trading Account for the year ended 31st March 2018**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Particulars** | **Details** | **Amount** | **Particulars** | **Details** | **Amount** |
|  |  | Rs. |  |  | Rs. |
| To Opening Stock | 12,00,000 | 3,20,000 | By Sales | 15,00,000 | 14,76,000 |
| To Purchases |  | *Less:* Sales Returns | (24,000) |
| *Less:* Purchase | (18,000) | 11,82,000 | By Closing Stock | 4,10,000 |
| Returns |  |  |
| To Freight | 62,000 |  |
| To Gross Profit c/d | 3,22,000 |  |
| 18,86,000 | 18,86,000 |

**M/s Raghuram & Associates**

**Profit and Loss Account for the year ended 31st March 2018**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Particulars** | **Details** | **Amount** | **Particulars** | **Details** | **Amount** |
|  |  | Rs. |  |  | Rs. |
| To SalariesTo Rent for Godown*Add:* OutstandingTo Provision for Doubtful (W.N.4) | Debts | 55,0005,000 | 72,00060,00016,200 | By Gross profit b/dBy Discount received |  | 3,22,00012,000 |
| To Rent and Taxes |  | 24,000 |  |
| To Discount Allowed |  | 7,500 |  |
| To Carriage outwards |  | 8,500 |  |
| To Printing and stationery |  | 6,000 |  |
| To Electricity charges |  | 14,000 |  |
| To Insurance premium (W.N. 1) |  | 4,800 |  |
| To Depreciation (W.N. 2) |  | 80,000 |  |
| To General expenses |  | 11,000 |  |
| To Bank Charges |  | 3,800 |  |
| To Interest on loan | 4,400 |  |  |
| *Add:* Outstanding (W.N. 3) | 100 | 4,500 |  |
| To Motor car expenses (Repairs) |  | 13,000 |  |
| To Net Profit transferred to Capital A/c |  |  8,700 |  |
|  |  | 3,34,000 | 3,34,000 |

 **Balance Sheet of M/s Raghuram & Associates**

 **as at 31st March 2018**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| ***Liabilities*** | ***Details*** | ***Amount*** | ***Assets*** | ***Details*** | ***Amount*** |
|  |  | Rs. |  |  | Rs. |
| Capital*Add:* Net Profit*Less:* Drawings*Less:* proprietor’sInsurance PremiumLoan from Rajan*Add:* Outstanding InterestSundry Creditors Outstanding rent | 14,11,4008,700(20,000)(42,000)60,000100 | 13,58,10060,10062,0005,000 | Land & Building *Less:* Depreciation Motor Vehicles *Less:* DepreciationOffice equipment*Less:* DepreciationFurniture & Fixture *Less:* Depreciation Stock in Trade Sundry Debtors*Less:* Provision for doubtful debtsCash at hand | 5,00,000(25,000)1,00,000(20,000)2,00,000(30,000)50,000(5,000)2,80,000(14,000) | 4,75,00080,0001,70,00045,0004,10,0002,66,00022,000 |
|  |  | 1485200 | Cash in bank Prepaid insurance(W.N.1) |  |   1,20014,85,200 |

**Working Notes:**

1. **Insurance premium** Rs.

Insurance premium as given in trial balance 48,000 Less: Personal premium (42,000) Less: Prepaid for 3 months

6,000 3 

(1,200)

15 

 

Transfer to Profit and Loss A/c 4,800

1. **Depreciation**

Building @ 5% on 5,00,000 25,000

Motor Vehicles @ 20% on 1,00,000 20,000

Furniture & Fittings @ 10% on 50,000 5,000

Office Equipment @ 15% on 2,00,000 30,000

Total 80,000

1. **Interest on Loan**

Interest on Loan Rs. 60,000 X 10% X 9/12 = 4,500

*Less:* interest as per Trial Balance = (4,400)

Amount (Outstanding) 100

1. **Provision for bad debts A/c**

|  |  |  |  |
| --- | --- | --- | --- |
| ***Particulars*** | ***Amount******(***Rs.***)*** | ***Particulars*** | ***Amount******(***Rs.***)*** |
| To bad debts a/c | 12,200 | By balance b/d |  | 10,000 |
| To balance c/d | 14,000 | By P&L A/c | 16,200 |
| (5% of 2,80,000) |   |
| 26,200 |
| 26,200 |