

**Course
&
Test Series**

Self-Made Assignment - Manual Accounting

Financial Statement with Adjustment - Prepaid Expenses and Depreciation

Question:

From the following trial Balance of M/s. Gupta Furnitures as on 31st December, 2012 you are required to prepare a Trading and Profit & Loss A/c for the year ended 31st Dec. 2012 and a Balance Sheet as at that date after making the necessary adjustments. Trial Balance of M/s. Gupta Furniture as at 31.12.2012.

Particulars	Dr (₹)	Cr. (₹)
Capital A/c of Mr. Gupta		80,000
Cash in hand	540	
Cash in bank	2,630	
Purchase A/c	43,120	
Sales A/c		78,100
Wages A/c	10,480	
Fuel and Power A/c	4,730	
Carriage on Sales A/c	3,200	
Carriage on Purchase A/c	2,040	
Stock (on 1-1-2012)	5,760	
Land & Building A/c	40,000	
Machinery A/c	20,000	
Salaries A/c	15,000	
Insurance A/c	600	
Sundry Debtors A/c	20,000	
Sundry Creditors A/c		10,000
	1,68,100	1,68,100

Taking into consideration the following adjustments, make necessary journal entries

and prepare final accounts.

- i. Stock on hand 31.12.2012 is Rs. 5,000
- ii. Machinery is to be depreciated @ 10% p.a.
- iii. Salaries for the month of December outstanding amounted to Rs.3,500.
- iv. Insurance prepaid for 3 months.

...many more

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