

**Course
&
Test Series**

Self-Made Assignment - Manual Accounting

Financial Statement with Adjustment - Prepaid Expenses and Depreciation

Question:

From the following information received from the books of Mr. Sahil on 31.3.2012, you are required to prepare the Trading Account & Profit & Loss Account for the year ending 31.3.2012 and a Balance Sheet as on 31.3.2012

| Particulars | (₹) | Particulars | (₹) |
|-----------------------|----------|-------------------|----------|
| Opening Stock | 37,000 | Capital | 1,62,000 |
| Purchases | 93,500 | Drawings | 1,60,000 |
| Wages | 28,000 | Discount received | 1,600 |
| Sales | 2,49,000 | Sundry Creditors | 43,000 |
| Salaries | 11,000 | Loan | 30,000 |
| Rent | 5,500 | Cash in hand | 37,300 |
| Interest Paid | 2,700 | Cash at bank | 37,300 |
| Discount Allowed | 2,400 | Debtors | 86,000 |
| Postage & Telegram | 2,000 | Furniture | 21,400 |
| Printing & Stationery | 1,800 | Motor Car | 20,000 |
| Sales Expenses | 2,200 | Building | 60,000 |
| Insurance Premium | 5,500 | Plant & Machinery | 16,000 |

Adjustments

- i. Closing stock was valued at Rs.30,000.
- ii. Depreciate
 - (a) Building by 5% p.a.
 - (b) Furniture - 10% p.a.
 - (c) Land & Building - 15% p.a.
 - (d) Motor Car - 20% p.a.
- iii. Rent outstanding Rs.1,500.
- iv. Prepaid Insurance Rs. 300.

Railways & Metro Services

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