Q. 37. The following Trial Balance was extracted from the books of Mr. Gupta as at 31st March, 2023 :

Dr. Balances	₹	*Cr. Balances*	₹
Stock on 1-4-2022	65,000	Capital	2,50,000
Purchases	7,10,000	Rent Received	3,900
Wages	22,000	Loan from Mr. Yadav @ 15% p.a.	20,000
Trade Expenses	5,000	Sales	9,50,000
Freight and Dock Charges	8,000	Discount	600
Travelling Expenses	3,800	Outstanding Wages	2,000
Lighting and Heating (Factory)	7,200	Trade Expenses accrued but not paid	500
Stores Consumed	2,000		
Rent Paid	16,500	Sundry Creditors	80,000
Establishment Charges	18,000		
Interest on Mr. Yadav's Loan	1,500		
Sundry Debtors	1,42,000		
Cash	6,000		
Fixed Assets	3,00,000		

Adjustments :—

(*i*) Goods costing ₹20,000 were purchased and included into stock but no entry was passed to record the purchase.
(*ii*) Loan from Mr. Yadav was taken on 1st June, 2022.
(*iii*) Sundry Debtors include an amount of ₹2,000 due from a customer who has become insolvent and nothing is recoverable from his estate.
(*iv*) Create a provision of 5% for Doubtful Debts and 2% for discount on Debtors.
(*v*) Three months lighting and heating bill due but not paid ₹3,000.
(*vi*) Rent is paid for 11 months but is received for 13 months.
(*vii*) Stock amounted to ₹90,000 on 31st March, 2023.

Q. 33. Prepare Trading and Profit & Loss Account and Balance Sheet as at 31st March, 2023, from the following balances :

Particulars	₹	*Particulars*	₹
Capital A/c	5,00,000	Stock on 1.4.2022	67,000
Drawings A/c	36,000	Salaries & Wages	24,000
Bills Receivable	5,800	Outstanding Salaries and Wages	2,000
Plant & Machinery	3,80,000	Insurance (including premium of ₹1,000 per annum paid upto 30.9.2023)	2,600
Sundry Debtors	58,000	Cash	46,600
Loan A/c (Cr.) at 12% p.a.	20,000	Bank Overdraft	15,000
Manufacturing Wages	40,000	Repairs & Renewals	1,600
Returns Inwards	3,000	Interest & Discount (Dr.)	4,400
Purchases	1,20,000	Bad-Debts	4,000
Sales	2,60,000	Sundry Creditors	30,000
Rent	28,000	Fixtures & fittings	12,000
Commission Received	6,000		

Adjustments :—

1. Stock on hand on 31st March, 2023 was ₹80,000.
2. Further Bad-debts written off ₹2,000 and Create a provision of 5% on Sundry Debtors.
3. Rent has been paid up to 31st May, 2023.
4. Manufacturing wages include ₹10,000 of a new Machinery purchased on 1st October, 2022.
5. Depreciate Plant and Machinery by 10% p.a. and Fixtures and Fittings by 20% p.a.
6. Commission earned but not received ₹1,000.
7. Interest on Loan for the last two months is not paid.
8. Goods worth ₹4,000 were distributed as free samples.

Hints :—

Q. 38. From the following Trial Balance of Mr. Tarun Ghosh, prepare Trading and Profit and Loss A/c for the year ending 31st March, 2020 and a Balance Sheet as at that date :

Dr. Balances	₹	Cr. Balances	₹
Opening Stock	38,000	Capital	3,00,000
Purchases	12,60,000	Secured Loan	20,000
Wages : Factory	20,000	Sales	15,40,000
Wages : Office	1,600	Sundry Creditors	40,000
Salary	54,000	Returns Outwards	15,000
Business Premises	2,00,000	Bills Payable	12,000
Furniture and Fixtures	40,000	Bank	33,000
Packing Machinery	60,000		
Tools	15,000		
Rent	58,400		
Loan to Mr. Ram Narain on 1st November, 2019 @ 12% p.a.	10,000		
Sundry Debtors	1,31,500		
Cash in Hand	7,400		
Drawings	60,000		
Bills Receivable	4,100		
	19,60,000		19,60,000

Adjustments :—

(*i*) Closing Stock amounted to ₹50,000.

(*ii*) Goods costing ₹8,000 were sent to a customer on sale or return basis for ₹10,000 on 30th March, 2020 and had been recorded in the books as actual sales.

(*iii*) Allow 8% interest on Capital and charge ₹3,000 as interest on drawings.

(*iv*) Depreciate : Business premises by 5%; Furniture and Fixtures by 20% and Packing Machinery by 10%. Tools are to be revalued at ₹12,000.

(*v*) $2\frac{1}{2}$% for discounts is to be provided on Debtors.

(*vi*) ₹1,500 is to be provided for Bad and Doubtful Debts.