

- 5) Sucheta & Gayatri are Partners sharing Profit and Losses in the ratio **3:2**. From the following Trial Balance and additional information you are required to prepare Trading and Profit and Loss Account for the year ended 31<sup>st</sup> March 2019 and Balance Sheet as on that date.

**Trial Balance as on 31<sup>st</sup> March, 2019**

| <b>PARTICULARS</b>       | <b>Debit</b>    | <b>Credit</b>   |
|--------------------------|-----------------|-----------------|
| PURCHASES & SALES        | 65,000          | 1,85,500        |
| Works MANAGER'S SALARY   | 2,300           |                 |
| CAPITAL - SUCHETA        |                 | 75,000          |
| - GAYATRI                |                 | 40,000          |
| Opening Stock            | 18,700          |                 |
| Debtors & Creditors      | 47,500          | 35,000          |
| WAGES & SALARIES         | 4,000           |                 |
| Bills RECEIVABLE         | 22,000          |                 |
| Bills PAYABLE            |                 | 27,300          |
| Discount                 |                 | 400             |
| Motive Power             | 1,350           |                 |
| Custom duty              | 1,500           |                 |
| Interest                 |                 | 1,300           |
| Unproductive WAGES       | 3,000           |                 |
| Audit fees               | 2,500           |                 |
| Rent                     | 1,800           |                 |
| CONVEYANCE               | 2,000           |                 |
| Goodwill                 | 25,000          |                 |
| Copyrights               | 20,000          |                 |
| Building                 | 88,000          |                 |
| PARTNER (SUCHETA'S) LOAN |                 | 6,150           |
| Investments              | 40,000          |                 |
| CASH AT BANK             | 26,000          |                 |
|                          | <b>3,70,650</b> | <b>3,70,650</b> |

## Adjustments :

- Stock on 31st March 2019 was valued at ` 19,700.
- Goods costing ` 3,000 distributed as free sample. Advertisement
- Motive Power includes ` 500 paid for deposit of Power Meter.
- Depreciate Building @ 5%.
- Write of ` 2,000 for Bad debts and maintain R.D.D at 3% on Debtors.
- Bills Receivable included dishonoured of Bill of ` 4,000.

(Ans : G.P. ` 1,15,850, N.P. ` 97,365 Balance Sheet Total ` 2,80,815)

**IN THE BOOKS OF Sucheta and Gayatri**

**Trading, Profit and Loss Account for the year Ended 31st March 2019**

| Dr.   |       |        | Cr.                                 |     |        |
|---|-------|--------|-------------------------------------|-----|--------|
| PARTICULARS                                     | Amt   | Amt    | PARTICULARS                         | Amt | Amt    |
| To opening Stock                                |       | 18700  |                                     |     |        |
| To PURCHASES                                    |       | 65000  | By SALES                            |     | 185500 |
| To Works manager salary                         |       | 2300   |                                     |     |        |
| To WAGES & SALARY                               |       | 4000   |                                     |     |        |
| To MOTIVE POWER                                 | 1350  |        | By Goods Distributed as free sample |     | 3000   |
| LESS : MOTOR DEPOSIT                            | 500   | 850    |                                     |     |        |
| To Custom duty                                  |       | 1500   |                                     |     |        |
| To Gross Profit c/d                             |       | 115850 | By Closing Stock                    |     | 19700  |
|   |       | 208200 |                                     |     | 208200 |
| To Audit fees                                   |       | 2500   | By Gross Profit b/d                 |     | 115850 |
| To Conveyance                                   |       | 2000   | By Interest                         |     | 1300   |
| To Unproductive Wages                           |       | 3000   |                                     |     |        |
| To DEPRECIATION on :                            |       |        | By Discount                         |     | 400    |
| Building  |       | 4400   |                                     |     |        |
| To Rent   |       | 1800   |                                     |     |        |
| To BAD debts (old)                              |       |        |                                     |     |        |
| Add : New BAD Debts                             | 2000  |        |                                     |     |        |
| Add : New R.D.D.                                | 1485  | 3485   |                                     |     |        |
| To Advertisement                                |       | 3000   |                                     |     |        |
| To Net Profit<br>(TRANSFERRED to CAPITAL A/c's) |       |        |                                     |     |        |
| SUCHETA   3                                     | 58419 |        |                                     |     |        |
| GAYATRI   2                                     | 38946 | 97365  |                                     |     |        |
|   |       | 117550 |                                     |     | 117550 |

**Balance Sheet as on 31st March, 2019**

| LIABILITIES             | Amt.         | Amt.   | Assets                 | Amt.        | Amt.   |
|-------------------------|--------------|--------|------------------------|-------------|--------|
| CAPITAL : SUCHITA       | 75000        |        | Building               | 88000       |        |
| Add : Net Profit        | <u>58419</u> | 133419 | Less : DEPRECIATION 5% | <u>4400</u> | 83600  |
|                         |              |        | GOODWILL               |             | 25000  |
| CAPITAL Gayatri         | 40000        |        | Copyrights             |             | 20000  |
| Add : Net Profit        | <u>38946</u> | 78946  | Bills RECEIVABLE       | 22000       |        |
|                         |              |        | Less:Dishonour bill    | <u>4000</u> | 18000  |
| Partner's Suchita' Loan |              | 6150   | CASH AT BANK           |             | 26000  |
| Creditors               |              | 35000  | Closing Stock          |             | 19700  |
| BILLS PAYABLE           |              | 27300  | Investment             |             | 40000  |
|                         |              |        | Sundry Debtors         | 47500       |        |
|                         |              |        | Add: dishonour bill    | 4000        |        |
|                         |              |        | Less : BAD debts (New) | <u>2000</u> |        |
|                         |              |        |                        | 49500       | 48015  |
|                         |              |        | Less : R.D.D. 3% (New) | <u>1485</u> |        |
|                         |              |        |                        |             | 500    |
|                         |              |        | Motor power Deposit    |             |        |
|                         |              | 280815 |                        |             | 280815 |