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FINAL ACCOUNTS BASIC 1.

Problem No. 1

Mr. Saleem & Co.
Trading Account

For the year ending December 31, 2008

Particulars	Amount	Particulars	Amount
To opening stock	40,000	By sales	1,20,000
To purchase	75,500	By Less Sales returns	<u>4,500</u>
To Carriage on Purchases	3,500	By Closing stock	60,000
To Clearing Charges	2,800		
To wages	5,200		
To Octroi Duty	1,200		
To Gross Profit c/d	47,300		
	<u>1,75,500</u>		<u>1,75,500</u>

Problem No. 2

Shalimar & Co.
Profit and Loss Account

For the year ending December 31, 2008

Particulars	Amount	Particulars	Amount
To Salaries	20,500	By Gross profit b/d	90,000
To Rent	12,000	By Discount Received	2,500
To General Expenses	10,500		
To Discount allowed	2,500		
To Bank Charges	500		
To Depreciation	3,100		
To Commission Paid	2,000		
To Bad debts	700		
To Net Profit	40,700		
	<u>92,500</u>		<u>92,500</u>

Problem No. 3

Trading and Profit and Loss Account
For the year ending December 31, 2006

Particulars	Amount	Particulars	Amount
To opening stock	1,350	By sales	11,900
To purchase	5,729	By Less Sales returns	<u>1,480</u>
To less Purchases return	<u>1,000</u>	By Closing stock	12,000
To Carriage	200		
To Gross Profit c/d	16,141		
	22,420		22,420
To Insurance	280	By Gross profit b/d	16,141
To Salaries	850	By Commission	311
To Discount	428		
To Advertising	980		
To Printing and Stationery	250		
To Net Profit transferred to the capital a/c	13,664		
	16,452		16,452

Balance Sheet**As on 31st December 2006**

Liabilities	Amount	Assets	Amount
Sundry Creditors	996	Cash in hand	995
Capital	9,500	Sundry Debtors	2,005
Add Net Profit	<u>13,664</u>	Closing Stock	12,000
	23,164	Furniture	2,830
		Plant & Machinery	6,330
	24,160		24,160

Problem No. 4

Trading and Profit and Loss Account
For the year ending December 31, 2005

Particulars	Amount	Particulars	Amount
To opening stock	21,000	By sales	162,300
To purchases	120,000	By Closing stock	35,000
To Carriage on purchases	1,000		
To Gross Profit c/d	55,300		
	197,300		197,300
To Insurance	1,000	By Gross Profit b/d	55,300
To Salary	18,000	By Commission	690
To Taxes	5,000	By Interest	1,500
To General Charges	6,000		
To Bad Debts	4,500		
To Carriage on Sales	500		
To Net Profit transferred to the capital a/c	22,490		
	62,610		62,610

Balance Sheet
As on 31st December 2005

Liabilities	Amount	Assets	Amount
Sundry Creditors	20,510	Cash in hand	6,000
Capital	100,000	Cash at Bank	18,000
Add Net Profit	22,490	Closing Stock	35,000
	122,490	Furniture	17,000
		Building	40,000
Less Drawings	6,000	Sundry Debtors	21,000
	116,490		
	137,000		137,000

Problem No. 5

Trading and Profit and Loss Account
For the year ending December 31st, 2004

Particulars	Amount	Particulars	Amount
	Rs.		Rs.
To opening stock	2,920	By sales	11,439
To purchase	10,000	By Closing stock	15,000
To Carriage	100		
To Wages	1,402		
To Gross Profit c/d	12,017		
	26,439		26,439
To Salaries	1,300	By Gross Profit b/d	12017
To Insurance	119	By Discount	627
To Postal Expenses	132		
To Bad Debts	700		
To Net Profit transferred to the capital a/c	10,393		
	12,644		12,644

Balance Sheet
As on 31st December 2004

Liabilities	Amount	Assets	Amount
	Rs.		Rs.
Sundry Creditors	13,408	Cash in hand	3,251
Capital	17,390	Debtors	10,690
Add Net Profit	<u>10,393</u>	Closing Stock	15,000
	27,783	Machinery	12,000
Less Drawings	<u>250</u>		
	27,533		
	40,941		40,941

Problem No. 6

Rashid & Co.
Trading and Profit and Loss Account
For the year ending December 31st, 2006

Particulars	Amount	Particulars	Amount
To opening stock	20,000	By sales	60,000
To purchase	30,000	By Less Sales return	<u>1,300</u>
To Less return outwards	<u>500</u>	By Closing stock	
To Carriage Inwards	700		
To Wages	2,900		
To Gross-Profit c/d	30,600		
	83,700		26,439
To Insurance	700	By Gross Profit b/d	30,600
To Commission (Dr.)	1,000		
To Interest on Capital	500		
To Stationery	450		
To Trade Expenses	500		
To Rent and Taxes	750		
To Carriage outwards	1,500		
To Net Profit transferred to the capital a/c	25,200		
	30,600		30,600

Balance Sheet
As on 31st December, 2006

Liabilities	Amount	Assets	Amount
Sundry Creditors	21,650	Cash in hand	500
Bill Payable	10,000	Cash at Bank	4,750
Capital	18,400	Bills Receivable	5,000
Add Net Profit	<u>25,200</u>	Closing Stock	25,000
	43,600	Sundry Debtors	30,000
		Office Furniture	10,000
Less Drawings			
Bills Payable			
	75,250		75,250

Problem No. 7

T Brothers
Trading And Profit And Loss Account
For the year ending 31st December 2005

Particulars	Amount	Particulars	Amount
To Opening Stock	2,68,000	By Sales 6,50,000	
" Purchases 35,000		Less 2,500	6,47,500
" Less 1,000	3,49,000		
" Carriage 5,000			
" Gross Profit c/d 25,500			
	647,500		647,500
" Discount 1,000		By Gross Profit b/d 25,500	
" Rent 6,000		" Discount Received 500	
	61,000	" Net Loss 35,000	
			61,000

T. Brothers
Balance Sheet
As on 31st December 2005

Liabilities	Amount	Assets	Amount
Creditors 35,000		Debtors 3,50,000	
Bank Loan 1,00,000		Plant 3,00,000	
Capital 8,00,000		Furniture 2,00,000	
Less Net Loss 35,000			
7,65,000			
Less Drawing 50,000	7,15,000		
	8,50,000		8,50,000

Revised Trial Balance

Ledger Accounts	L.F	Debit	Credit
Creditors			35,000
Bank Loan			1,00,000
Capital			8,00,000
Debtor		3,50,000	
Plant		3,00,000	
Furniture		2,00,000	
Drawings		50,000	
Net Loss		35,000	
		935,000	935,000

Problem No. 8

INCOME STATEMENT
For the year ending December 31, 2006

Sales		345400	
Less: Returns inwards	1500		
Less: Discount on Sales	3500	5000	
			340400
<u>Less Cost of goods sold</u>		80600	
Merchandise inventory Jan. 1			
Purchases	255400		
Less Purchase returns	450		
	254950		
Add: Carriage on purchases	3600	258550	
Cost of goods available for sale		339150	
Less closing inventory		65700	
Cost of goods sold			273450
Gross Profit			66950
<u>Less Operating Expenses</u>			
<u>Selling Expenses:</u>			
Salesmen Commission	1700		
Advertising	14000		
Total selling expenses	5700		
<u>General Expenses</u>		21400	
Rent Expenses	3100		
Repair Expenses	275		
Insurance Expenses	410	3785	25185
Total operating expenses			
Net Income:			41765

BALANCE SHEET
As on December 2006

ASSETS:			
<u>Current Assets</u>			
Cash at Bank		5745	
Accounts Receivable		18000	
Closing inventory		65700	
Investment		20500	
Total current Assets			109945
<u>Fixed Assets:</u>			
Furniture		12500	
Machinery		20000	
Loose Tools		4100	36600
Total Fixed Assets			146545
<u>LIABILITIES</u>			
<u>Current Liabilities</u>			
Accounts payable (creditors)		1240	
<u>Long term liabilities</u>			
Mortgage loan		18420	
<u>Owner's Equity</u>			
Capital	97520		
Add Net Income	41765		146545
	139285		
Less: Drawings	12400	126885	
		146545	146545