

Kamal's Drawing	1,200		
	2,16,850		2,16,850

Prepare Trading and profit and Loss A/c for the year ending 31-3-2018 and the balance sheet as on that date after making the following adjustments-

- 1) Closing stock was valued at ₹. 27,900
- 2) Depreciate Plant and Machinery and Furniture at 5% p.a.
- 3) Provide ₹. 750 for bad and doubtful debts.
- 4) $\frac{1}{5}$ th of the Goodwill is to be written off.
- 5) Ravi has taken goods of ₹. 500 for his personal use.
- 6) Interest on partners Drawing's to be charged at 5%.

PROBLEM NO 18

Given below is the Trial Balance of M/s Roma and Mona partnership firm. Prepare Trading and profit and Loss account for the year ended 31st March 2017 and balance sheet as on that date

Trial Balance as On 31st March, 2017

Particulars	₹.	Particulars	₹.
Stock on 1 st April, 2016	52,000	Provident Fund	50,000
Sundry Debtors	84,000	Interest on P.F. Investment	2,800
Bad debts	3,000	Sundry Creditors	84,000
Premises	78,000	Rent received	9,600
Salaries	28,000	Reserve for doubtful debts	2,000
Motor vehicle	50,000	Discount received	3,600
Purchases	1,76,000	Sales	3,20,000
Provident fund Investment	50,000	Capital A/c	
Provident fund contribution	5,500	Roma	50,000
Wages	22,000	Mona	50,000
Rent (for 10 months)	16,000		
Office expenses	5,000		
Discount allowed	2,500		
	5,72,000		5,72,000

Adjustments:

- 1) Stock on 31st March, 2017 was valued at ₹. 88,000 which is 10% over valued.
- 2) Goods of Rs 6,000 were sold and dispatched on 27th March, 2017 but no entry was made in the books of accounts.
- 3) Write off bad debts of ₹. 4,000 and provide for R.D.D at 5% on sundry debtors.
- 4) Provide reserve for discount on debtors at 2% and on creditors at 3%
- 5) Outstanding wages ₹. 4,000 and outstanding salaries ₹. 3,000.
- 6) Depreciate Motor vehicle at 5% p.a.

Board of Problems

PROBLEM NO .19

(OCT, 1998)

From the following trial balance of Somnath and Ambadas being equal partners, you are required to prepare Trading and profit and Loss Account for the year ended 31st March, 2016 and balance sheet as that date after taking into consideration the additional information-

Particulars	₹.	Particulars	₹.
Opening stock	60,000	Capital Accounts-	
Drawings-		Somnath	22,000
Somnath	1,000	Ambadas	18,000
Ambadas	1,500	Reserve fund	21,600
Insurance	600	Sales	1,30,000
Salaries and wages	4,500	Bill payable	1,000
Carriage	2,500	Reserve for bad and Doubtful debts	800
Purchases	65,000		
Bills Receivables	600		
Rent	3,500		
Debtors	18,000		

Returns	1,000	Creditors	16,000		
Machinery	12,000				
Travelling Expenses	3,000				
Cash at bank	1,000			Return	500
Building	30,000				
Office Expenses	2,700				
Advertisement (for 3 year)	3,000				
	2,09,900		2,09,900		

Adjustments-

- (1) Closing stock cost ₹. 25,000 and market price ₹. 30,000.
- (2) Allow interest on capital at 10% p.a.
- (3) Prepaid insurance ₹.50.
- (4) Provide for R.B.D.D. at 5% on debtors.
- (5) Uninsured goods costing ₹.3,000 were destroyed by fire.
- (6) Outstanding expenses - Salaries ₹.1,000, Rent ₹.500.
- (7) Provide depreciation on Machinery at 20% and Building at 2½ %.

PROBLEM NO. 20

(MARCH 1999)

From the following trial balance of Amol and Nikhil you are required to prepare a Trading and Profit and Loss Account for the year ended 31st March, 2017 and balance sheet as on that date after making into consideration the additional information. They share profits and losses in their capital ratios -

Debit Balance	₹.	Credit Balance	₹.
Drawings –		Capital Accounts-	
Amol	2,000	Amol	40,000
Nikhil	1,000	Nikhil	60,000
Opening Stock	12,000	Creditors	30,000
Purchases	80,000	Sales	1,40,000
Office Salaries	6,000	R.D.D.	1,000
Audit Fees	2,000	Return Outwards	2,400
Trade Expenses	1,400	Bills Payable	6,000
Advertisement	5,200	Reserve Fund	4,000
Wages and Salaries	10,400		
Cash in hand	8,000		
Debtors	50,000		
Bad Debts	400		
Investments	16,000		
Motor Van	30,000		
Furniture	10,000		
Office Rent	3,400		
Plant and Machinery	24,000		
Freehold Property	16,000		
Bills Receivables	4,000		
Discount	1,600		
	2,83,400		2,83,400

Adjustments-

- 1) Closing stock was valued at ₹.17,600
- 2) Audit fees for the year was outstanding ₹.2,400:
- 3) Create R.D.D. at 5% on debtors.
- 4) The goods for ₹.25,600 purchased & received on 25th March,17 were not recorded in the purchase book.
- 5) Depreciate freehold property at 10% and motor van 25%.
- 6) Allow 5% interest on capital but no interest on drawings.

PROBLEM NO. 21

(OCT 1999)

Abhijit, Pawan and Vikram are partners. The following balances were extracted from the books of a partnership firm as on 31st March, 2017

Trial Balance as on 31st March 2017

Particulars	Debit	Particulars	Credit
Purchases	1,65,000	Capital Accounts:	
Debtors	60,000	Abhijit	24,000
Stock(1st April, 2016)	25,000	Vikram	12,000
Wages	20,000	Pawan	30,000
Salaries	8,000	Current Account:	
Furniture	8,000	Vikram	
Building	45,200	Pawan	2,000
Insurance	3,500	Sales	3,000
Loan at 6% to Vijay(1st Dec, 2016)	4,000	Reserve for doubtful debts	2,50,000
Rent and Taxes	2,000	Interest on Investment	7,800
Investments	10,000	Creditors	720
Cash in Hand	8,820	Bills Payable	25,000
Bills Receivable	10,000	Return Outwards	14,000
Abhijit Current Account	2,000		3,000
	3,71,520,		3,71,520

Adjustments:

- (1) Closing stock ₹13,000. Partners are allowed a salary at ₹3,000 p.a.
- (3) ₹1,200 paid during the year as building repairs wrongly debited to building account.
- (4) Depreciate furniture at 12% p.a. and Building at 10% p.a.
- (5) ₹1,000 due from customer is not receivable.
- (6) Create R.D.D. at 5% on debtors.

Prepare Final Account for the year ending 31st March, 2017.

PROBLEM NO. 22

(MARCH 2000)

Aba and Kaka are partners sharing profits & losses in the ratio 3:1. Following is the trial balance as on 31st March, 2016 –

Trial Balance as on 31st March, 2016

Particulars	Dr. ₹	Cr. ₹
Land and Building	55,000	
Machinery	40,000	
Salary and Wages	21,000	
Cash at Bank	45,000	
Cash in hand	1,100	
Office Expenses	1,000	
Motor Vans	18,000	
Aba's Capital		1,16,000
Kaka's Capital		62,000
Carriage	5,000	
Purchase and Sales	2,20,000	2,80,000
Returns	2,000	5,500
Bad Debts ,	1,000	
Debtors and Creditors	32,000	35,000
Rent	1,100	
Bills Payable		33,000
Printing and Stationery	1,500	
Travelling Expenses	5,500	
Stock (1-4-2015)	30,000	
Insurance	1,500	
Discount	8,000	
Advertisement	12,000	
Furniture	30,000	
	5,31,500	5,31,500

Adjustments

- 1) Closing stock was valued at cost price ₹41,000, Market price ₹42,000.
- 2) Goods worth ₹5,000 taken over by Aba for personal use were not entered in the books

- 3) Goods worth ₹.5,000 were destroyed by fire and insurance company admitted a claim of ₹.4,000.
- 4) Outstanding expenses Rent – ₹.100, Salary – ₹.500.
- 5) Provide depreciation at 10% on Machinery and 5% on Furniture.
- 6) Provide ₹.800 for reserve for doubtful debts on debtors.

You are required to prepare -Trading and Profit and Loss Account for the year ending 31st March, 2016 and Balance Sheet as on that date after consideration of the above adjustments.

PROBLEM NO. 23

(MARCH 2001)

Sachin and Sharad are partners sharing profits and losses in the ratio of 2:1 respectively. The trial balance of their firm as on 31st March, 2015 was as follows -

Trial Balance as on 31st March, 2015

Particulars	₹.	Particulars	₹.
Purchase	48,000	Capital Accounts –	
Wages	23,000	Sachin	25,000
Opening Stock	25,000	Sharad	20,000
Land and Building	30,000		45,000
Debtors	45,000	Creditors	49,000
Machinery	25,000	Unpaid Wages	1,000
Royalties	1,800	Sales	1,31,100
Carriage inward	1,300	Commission	2,200
Carriage Outward	1,700		
Office Expenses	2,550		
Bad Debts	750		
Power & Fuel	8,000		
Furniture	3,000		
Drawings –			
Sachin	3,000		
Sharad	2,000		
	5,000		
Cash in hand	500		
Cash at bank	4,300		
Advertisement	3,000		
Insurance	400		
	2,28,300		2,28,300

Adjustments

- 1) Closing stock on 31st March, 2015 was valued at ₹.18,500.
- 2) Goods worth ₹.23,000 taken by Sachin for his personal use were not entered in the books of accounts.
- 3) Goods worth ₹. 5,000 were destroyed by fire and insurance company admitted the claim for ₹.3,500.
- 4) Write off ₹.1,000 for bad debts and create R.B.D. at 5% debtors
- 5) Insurance is paid for the year ended 30th June, 2015.
- 6) Charge depreciation on Land and Building at 2½ %, Machinery at 10% and Furniture at 15%.

Prepare Trading Account, Profit & Loss Account for the far ended 31st March, 2015 and the balance sheet as on that date after making the adjustment adjustments.

PROBLEM NO. 24

(FEB. 2002)

Rani and Rita are partners sharing profit and losses equally. Following is their Trial Balance as on 31st March, 2017

Trial Balance As on 31st March, 2017

	₹.	₹.
Buildings	27,500	
Machinery	20,000	
Salary and Wages	10,500	
Cash at bank	20,000	
Cash in hand	550	
Motor Cycle	10,000	
Office Expenses	500	

Rani's Capital		58,000
Rita's Capital		31,000
Carriage	2,500	
Purchases	1,10,000	
Return Outwards		2,750
Sales		1,40,000
Return inwards	1,000	
Bad Debts	500	10,000
Debtors	16,400	
Creditors		17,500
Rent	550	
Bills Payable		
Printing and Stationery	750	
Travelling Expenses	2,750	
Stock (1-4-2016)	15,000	
Insurance	750	
Discount	4,000	
Advertisement (for 3 years)	6,000	
Furniture	10,000	
	2,59,250	2,59,250

Adjustments

- 1) The closing stock on 31st March, 2017 was valued at cost ₹.20,500 while its market price is ₹. 22,500
 - 2) Goods worth ₹. 2,500 were destroyed by fire and insurance company agreed to pay ₹.2,000 in full settlement of the claim.
 - 3) Unpaid expenses - Rent ₹.50 and Salary - ₹.250.
 - 4) Provide depreciation at 10% on Machinery and 5% on Furniture.
 - 5) Goods worth ₹. 4,000 were sold on 27th March, 2001 but no entry was made in the books.
- You are required to prepare Trading and Profit and Loss A/c. for the year ended 31st March, 2017 and the Balance Sheet as on that date after considering the above adjustments.

PROBLEM NO. 25

(FEB. 2003)

Following is the Trial Balance of Shirish and Girish as on 31st March, 2015 who share profits and losses in the ratio of 2 : 1

Debit Balance	₹.	Credit Balance	₹.
Goodwill	20,000		
Plant and Machinery	80,000	15% Bank Loan (Taken on 1-10-2014)	60,000
Patents	10,000		
Carriage	8,600	Capital Account-	
Postage and Telegram	1,400	Shirish	80,000
Power and Fuel	6,000	Girish,	60,000
Debtors	24,000		
Trade Expenses	600	Creditors.	41,000
Advertisement	3,000		
Furniture	14,200	Commission	800
Wages	28,000	Sales	1,50,400
Purchases	59,000		
Stock	20,800		
Printing and Stationery	5,200		
Interest on Bank Loan	3,000		
Land and Building	1,06,600		
Discount	800		
Cash in hand	1,000		
	3, 92 200		3, 92 200

Adjustments —

- 1) Closing stock on 31st March, 2015 was valued at ₹. 24,000.
- 2) Depreciate Plant and Machinery at 10% and Furniture by ₹.800.

- 3) Outstanding wages ₹. 2,000.
 - 4) Goods taken by Girish for his personal use ₹.1,000. No entry has been passed in the books.
 - 5) Goods worth ₹. 4,000 were sold on 27th March, 2015 but no entry was made in the books.
- You are required to prepare Trading and Profit & Loss Account for the year ended 31st March, 2015 and Balance Sheet as on that date after taking into consideration the above adjustments.

PROBLEM NO. 26

(FEB. 2004)

Shital and Shilpa are partners sharing profits and losses equally. The trial balance of their firm on 31st March; 2016 was as follows –

Trial Balance as on 31st March, 2016.

Particulars	Dr. ₹.	Cr. ₹.
Stock (1-4-2015)	44,000	
Purchases and Sales,	1,70,000	3,20,000
Return inward	10,000	
Carriage	4,000	
Motive Power	6,000	
Wages	56,000	
Trade expenses	4,000	
Debtors and Creditors	72,000	40,000
Salaries	38,000	
Insurance	2,400	
Postage	3,600	
Commission	3,000	4,000
Plant and Machinery	60,000	
Furniture	16,000	
Advertisement	8,000	
Office Rent (for 10 months)	10,000	
Drawings - Shital	14,000	
Shilpa	6,000	
Bank Loan		32,000
Buildings	24,000	
Capital - Shital		80,000
Shilpa		80,000
Cash in hand	3,000	
	5,56,000	5,56,000

Adjustments –

- 1) Stock on 31-3-2016 was valued at cost price ₹. 80,000 and Market Price ₹.72,000.
- 2) Depreciate Plant and Machinery and Building at 20% and 10% respectively.
- 3) Insurance is paid for one year ending on 30-6-2016.
- 4) Goods withdrawn by Shital of ₹.10,000 during the years were not recorded in the books.
- 5) Bad debts were ₹.2,000 and provide for R.D.D. 5% on debtors
- 6) Goods worth ₹. 6,000 were purchased on 31-3-2016 and include in closing stock but not recorded in the books of accounts.

Prepare Trading Account, Profit and Loss Account for the year ended on 31st March, 2016 and the Balance Sheet as on that date After making the above adjustments.

PROBLEM NO 27

(FEB.2005)

From the following Trial Balance Tambe and Pitale, you are required to prepare Trading and Profit and Loss A/c for the year ended 31st March, 2017 and Balance Sheet as on that date after taking into consideration the following adjustments :-

- 1) Tambe and Pitale share Profits and Losses in their Capital proportions.
- 2) Closing Stock was valued at cost ₹.25,500 and at market price ₹.30,000/-
- 3) Outstanding expenses: Rent – ₹.300 /-, Advertisement - ₹.700/-
- 4) Depreciate Machinery and Building at 10% p.a.
- 5) Goods worth ₹.10,000/- were destroyed by Fire and Insurance Company admitted a claim of ₹. 6,500/- only.
- 6) Goods of ₹.1,000/- were taken over by Tambe for his personal use, were not recorded in the Books of A/c.

Trial Balance as on 31st March, 2017

Debit Balances	₹.	Credit Balance	₹.
Opening Stock	30,000	Capital Accounts –	
Purchases	50,000	Tambe	50,000
Return inwards	2,000	Pitale	75,000
Debtors	40,000	Bills Payable	12,000
Insurance(for 3 years) (w.e.f. 1-10-2016)	6,000	Creditors	30,000
Carriage inwards	500	Sales	70,000
Wages	1,500	Returns Outward.	2,500
Salaries	2,500	Wages Outstanding	1,600
Bills Receivable	5,000	Commission	400
Sundry Expenses	500	Discount.	500
Drawings –			
Tambe	1,500		
Pitale	2,500		
Machinery (Purchased on 1-1-2017)	30,000		
Buildings	53,000		
Repairs to Building	7,000		
Carriage outwards	1,000		
Rent	700		
Advertisement	2,300		
Cash in hand	6,000		
	2,42,000		2,42,000

PROBLEM NO. 28

(FEB 2006)

Ram and Shyam are partners sharing Profits and Losses in the ratio of 2:3. Their trial balance as on 31st March, 2017 is given below. You are required to prepare Trading A/c and Profit and Loss A/c for the year ending 31st March, 2017 and a Balance Sheet as on that date after taking in to account the given adjustments.

Trial Balance as on 31st March, 2017

Debit balances	₹.	Credit balances	₹.
Purchase	98,000	Capital Accounts;	
Patent rights	4,000	Ram	30,000
Building	1,00,000	Shyam	40,000
Stock(1-4-2016)	15,000	Provident Fund	7,000
Printing and Stationery	1,750	Creditors	45,000
Sundry debtors	35,000	Bank loan	12,000
Wages and Salaries	11,000	Sales	1,58,000
Audit fees	700	Reserve for Doubtful debts	250
Sundry Expenses	3,500	Purchase Returns	3500
Furniture –	8,000		
10% Investments (Purchased on 1-10-2016)	10,000		
Cash	4,000		
Provident fund contribution	800		
Carriage inward	1,300		
General expenses	2,700		
	2,95,750		2,95,750

Adjustments:

- 1) Closing stock is valued at cost ₹.15,000 while its market price is ₹.18,000.
- 2) On 31st March, 2017 Stock of Stationery was ₹. 500.
- 3) Provide for reserve for Doubtful Debts @ 5% on Debtors.
- 4) Depreciate building @ 5% and patents @10%.
- 5) Interest on capital is to be allowed @ 5%.
- 6) Goods of ₹. 10,000 were destroyed by fire. The Insurance Company admitted a claim for ₹.8,000.

PROBLEM NO. 29**(FEB2007)**

Alka, Ulka and Shalaka are partners. The following balances were extracted from the books of their partnership firm as on 31st March, 2017:

Trial Balance as on 31st March, 2017

Particulars	Debit ₹.	Particulars	Credit ₹.
Purchases	1,65,000	Capital A/c: -	
Debtors	60,000	Alka	24,000
Stock (1-4-2016)	25,000	Ulka	32,000
Wages	20,000	Shalaka	15,000
Salaries	8,000	Sales	2,50,000
Furniture	8,000	R.D.D	2,800
Buildings	44,000	Interest on Investment	700
Insurance	3,500	Creditors	25,000
Rent and Taxes	2,000	Bills payable	14,000
Investment	10,000	Purchase Return	3,000
Cash in hand	7,000		
Bills Receivable	14,000		
	3,66,500		3,66,500

Adjustments:

- 1) Closing Stock ₹. 13,000.
- 2) All partners are allowed a salary at ₹. 3,000 p.a.
- 3) Depreciate furniture at 12% p.a. and buildings at 10% p.a.
- 4) ₹. 1,000, due from customer is not recoverable.
- 5) Create R.D.D at 5% on debtors. Prepare Final Accounts for the year

PROBLEM NO. 30**(FEB. 2008)**

Swati, Swity and Sweta were partners sharing profits and losses equally.

Trial Balance as on 31st March, 2018

Particulars	Debit. ₹.	Credit ₹.
Purchases and sales	1,04,000	1,95,300
Salaries	11,300	
Stock (1.4.2017)	28,000	
Debtors and Creditors	24,200	36,000
Bills Receivable and Bills Payable	62,400	18,100
Land and Building	48,300	
Returns	6,300	2,600
Wages	25,100	
Cash at Bank	30,000	
Insurance	4,500	
Advertisement	9,300	
Furniture	18,700	
Rent and taxes	4,700	
Interest		4,800
Capitals:-		
Swati		60,000
Swity		40,000
Sweta		20,000
	3,76,800	3,76,800

- 1) Closing stock is valued at ₹. 37,500
- 2) Depreciate Furniture @ 10% p.a. and Land and Building 5% p.a.
- 3) Goods of ₹. 3,000 are purchased on 31.3.2006 are included in the closing stock but the entry is not passed in the books.
- 4) Insurance is prepaid to the extent of ₹. 1,500
- 5) Salaries of ₹. 3,400 and wages of ₹. 4,700 are outstanding.

6. Write off ₹.1200 as bad debts from Debtors and provide 5% for Reserve for Doubtful Debts. Prepare final accounts.

PROBLEM NO. 31

(MAR. 2009)

From the following Trial Balance and Adjustments of Kumbhar and prepare Trading and Profit & Loss A/c for the year ended on 31st March as on that date.

Trial Balance as on 31st March, 2017

Particulars	₹.	Particulars	₹.
Stock (1-4-2016)	35,000	Sales	3,30,000
Salary and Wages	4,200	Discount	4,000
Cash	10,000	Creditors	20,000
Purchases	2,25,200	Bank overdraft	10,000
Sundry Expenses	13,600	Interest on Investment	8,000
Wages	12,000	Capitals:	
Bills. Receivable	6,000	Kumbhar	60,000
Travelling Expenses	2,000	Marothi	40,000
Bad debts	3,000		
Factory expenses	8,000		
Commission	4,000		
Investments	20,000		
Debtors	40,000		
Tools and Equipment	6,000		
Furniture	12,000		
Goodwill	21,000		
Building	50,000		
	4,72,000		4,72,000

Adjustments:

- Partners share profits and losses in the ratio of their Capitals.
- Closing stock is valued at Cost Price ₹. 40,000 and at Market price at ₹45,000/-
- Kumbhar has withdrawn goods worth ₹.1,200 for his own use, but no entry is books.
- Uninsured goods worth ₹.12,000 were lost by fire.
- ₹ 450/- are to be written off as bad debts.
- Unpaid Expenses: Salary and Wages
- Depreciate Building @ 7½ p.a.

PROBLEM NO. 32

(MAR. 2010)

Ashok and Tanaji are partners sharing Profits and Losses in the ratio of 2:3. Their trial balance as on 31st March 2017 is given below. You are required to prepare Trading A/c and Profit and Loss. A/c for the year ending 31st March, 2017 and a Balance Sheet as on that date after taking in to account the given adjustments.

Trial Balance as on 31st March, 2017

Debit balances	₹.	Credit balances	₹.
Purchases	98,000	Capital Accounts	
Patent rights	4,000	Ashok	30,000
Building	1,00,000	Tanaji	40,000
Stock(1-4-2016)	15,000	Provident Fund	7,000
Printing and Stationery	1,750	Creditors	45,000
Sundry debtors	35,000	Bank loan	12,000
Wages and Salaries	11,000	Sales	1,58,000
Audit fees	700	Reserve for doubtful debts	250
Sundry Expenses	3,500	Purchase returns	3,500
Furniture	8,000		
10% Investments (Purchased on 30-09-2016)	10,000		
Cash	4,000		
Provident fund contribution	800		
Carriage inward	1,300		

Travelling expenses	2,700	
	2,95,750	2,95,750

Adjustments:

- 1) Closing stock is valued at cost ₹ 15,000 while its market price is ₹ 18,000
- 2) On 31st March, 2017 stock of stationery was ₹ 500.
- 3) Provide for reserve for Doubtful Debts @ 5% on debtors.
- 4) Depreciate building @ 5% and Patent rights @ 10%.
- 5) Interest on capital is to be provided at 5% p.a.
- 6) Goods of ₹ 10,000 were destroyed by fire. The Insurance Company for ₹. 8,000

PROBLEM NO. 33

(MAR. 2011)

From the following Trial Balance of M/s Sanjay and Vijay, you are required to and Profit and Loss A/c for the year ended on 31st March 2017 and Balance date after taking into consideration the additional information given below :

Trial Balance as on 31st March, 2017

Particulars	Debit	Credit
Sundry Debtors and Creditors	45,800	72,700
Bills Receivable and Bills Payable	28,200	40,000
Purchases and Sales	98,500	1,10,000
Return Inward	2,000	
Salaries and Wages	26,000	
Carriage outward	1,800	
Insurance Premium	2,200	
Postage and Telegram	1,750	
Plant and Machinery	70,000	
Advertisement	3,000	
Import Duty	2,100	
Bad Debts	1,000	
Printing and Stationery	2,400	
Cash in Hand	1,850	
Leasehold Premises	80,000	
Opening Stock	12,000	
Dividend Received		1,500
Outstanding Audit fees		4,400
10% Bank Loan (Taken on 1. 10.16)		60,000
Capital Accounts - Sanjay		45,000
- Vijay		45,000
	3,78,600	3,78,600

Additional Information: -

- 1) Closing Stock was valued at ₹. 25,000.
- 2) Unused Postage Stamps of ₹. 250.
- 3) Uninsured goods worth ₹. 8,000 were stolen from the godown.
- 4) Leasehold property is to be run for 10 years w.e.f. 1.10.2017.
- 5) Depreciate Plant and Machinery at 10% p.a.
- 6) Our customer Mr. Ajay became insolvent and could not pay his debts of ₹. 2,000

PROBLEM NO. 34

(MAR. 2012)

Following is the Trial Balance of Jitesh and Pritesh. The partners share profits and losses equally.

Trial Balance as on 31st March 2017

Particulars	Debit ₹.	Credit ₹.
Capital - Jitesh		2,00,000
- Pritesh		1,20,000
Bills Receivable and Bills Payable	40,000	50,000
Opening Stock	70,000	--
Purchases and Sales	1,94,000	3,63,000
Returns	3,000	4,000

Salaries	15,600	--
Wages	28,400	--
Conveyance	2,200	--
Commission	--	6,000
Miscellaneous Expenses	3,200	-
Brokerage	9,000	-
Dock Charges	3,000	-
Insurance	4,200	-
Goodwill	4,800	-
Land and Building	76,000	-
Shares in Bajaj Ltd.	1,80,000	-
Cash in hand	50,000	-
Cash at bank	3,600	-
Sundry Debtors and Creditors	56,000	60,000
Motor Van	60,000	-
	8,03,000	8,03,000

Adjustments

- 1) Closing Stock was valued at ₹. 75,000.
- 2) Depreciate Land and Building and Motor Van at 5% p.a.
- 3) Insurance is paid for the year ended 31st May, 2010.
- 4) Jitesh has taken goods of ₹. 3,000 for his personal use.
- 5) Books of Rs.8,000 were destroyed by fire and the Insurance Company admitted a claim of ₹. 6,400 only.
- 6) Commission due but not received ₹. 1,600.

Prepare after taking into account the adjustments -

Trading and Profit and Loss account for the year ended 31st March 2017 and Balance Sheet as on that date.

PROBLEM NO. 35

(MAR. 2013)

Abhijeet and Surjeet are partners sharing profits and Losses in the ratio of 3/5 and 2/5 respectively. From the following trial balance adjustments prepare Trading, Profit and Loss Account for the year ended 31st March, 2017 and balance sheet as on that date.

Trial Balance As On 31st March, 2017

Particulars		Particulars	
Drawing Account		Capital Accounts:	
Abhijeet s	6,000	Abhijeet	1,32,000
Sujeet	4,000	Sujeet	88,000
Land and Building	1,70,000	Sales	1,69,000
Plant (addition on 1.1.2017 Rs.20,000)	90,000	Sundry creditors	81,900
Opening Stock	44,000	Bank Overdraft	80,000
Wages	13,500	Reserve for doubtful debts	2,000
Cash at Bank	6,500	Outstanding expenses	4,600
Sundry Debtors	69,200	Sundry income	4,000
Purchases	1,22,500	Pre-received interest	5,000
Carriage	2,100	10% Bank Loan	32,000
Rates and insurance	4,500	(taken on 1 th Oct,2016)	
Furniture	50,000		
Salaries	7,600		
Bad debts	3,200		
office expenses	5,400		
	5,98,500		5,98,500

Adjustments:

- 1) Closing stock was valued at cost ₹. 34,000 and at market price ₹. 40,000.
- 2) Depreciate Plant @ 10% p.a.
- 3) Insurance was prepaid 600.
- 4) Office expenses include personal expenses of Sujeeet ₹. 800.
- 5) Maintain R.D.D at 5% on sundry debtors.