

FINAL ACCOUNTS OF A SOLE PROPRIETOR

1. From the following particulars presented by Mazumdar Bros. prepare a Manufacturing Account for the year ended 31-3-2004.

Particulars	Rs.	Particulars	Rs.
Opening Stock:		Carriage Inward	1,000
Raw Material	3,000	Hire of Special Plant	2,000
Work-in-Progress	4,000	Factory Rent	4,000
Finished goods	8,000	Repairs to Factory	1,000
		Repairs to plant	2,000
Closing Stock:		Supervisor's salary	8,000
Raw Materials	1,000	Wages of durwan at factory	1,000
Work-in-Progress	5,000	Royalties on production	2,000
Finished goods	4,000	Works Manager's salary	6,000
Purchased of Raw Materials	40,000	Salary of works staff	3,000
Wages of workers	20,000		
Light, Gas etc. (factory)	2,000		

2. From the following particulars, prepare a Manufacturing account and Trading Account for the year ended 31-03-2004.

Particulars	Rs.	Particulars	Rs.
Raw Material (1-4-2003)	12,000	Carriage Inwards	1,000
Work-in-Progress(1-4-2003)		Retunes Outward	2,000
)	8,000		
Finished good (1-4-2003)	9,000	Royalty on Production	1,000
Purchase of Raw Material	80,000	Purchase of Finished goods	8,000
Direct Wages	10,000	Carriage outward	500
Indirect Wages	8,000	Fuel and Power	2,500
Sales	1,74,000	Repairs and Maintenance	1,500
Return Inward	5,000	Raw Materials (31-3-2004)	6,000
Depreciation on Factory Assets	4,000	Work-in-Progress (31-3-2004)	2,500
		Finished goods(31-3-2004)	5,000

Adjustments:

- (1) Outstanding Direct Wages amounted to Rs. 3,000.
- (2) Prepaid Fuel and Power amounted to Rs. 500.

3. From the following details for the year ended 31st March 2004 prepare Manufacturing, Trading and Profit & Loss Account of M/S Munsri Enterprise.

Particulars	Rs.	Particulars	Rs.
Opening Stock:		Electric and Water Charges	4,000
Raw Materials	60,000	Wages	1,40,000
Work-in-Progress	50,000	Salary of Works manager	6,000
Finished Goods	75,000	Office Salaries	5,000
Purchased of Raw Materials	3,20,000	Advertisement	2,000
Sales	6,25,000	<u>Depreciation:</u>	
Purchase Return	5,000	On Plant	3,000
Sales Return	4,000	On Factory Shed	1,000
Carriage Inward	1,500	On Office Furniture	600
Carriage Outward	1,000	Closing Stock:	
Duty and Clearing Charges	2,000	Raw Materials	40,500
Factory Rent	3,000	Work-in-Progress	60,000
Office Rent	2,000	Finished Goods	55,000

4. The following information is given to you from the books of a manufacturer in respect of the year ending 31st March, 2004.

Particulars	Rs.	Particulars	Rs.
Stock of Raw Material	25,000	Electricity & Telephone	6,000
Freight Inward	8,500	Selling expenses	6,000
Freight outward	6,000	Miscellaneous expenses	14,000
Wages Direct	18,000	Stock of Finished Goods: (31-3-2003)	30,000
Wages Indirect	14,000	Provision for doubtful debts	8,500
Sales	4,18,000	Depreciation on Plant and Machinery	4,000
Stationery	1,500	Depreciation of Office:	
Traveling Expenses	5,000	Furniture and equipments	3,000
Salaries (H.O.)	26,000	Repairs to Plant and Machinery	4,650
Factory Expenses	26,000	Scrap Sales	3,700
Interest on Loan paid	1,800	Purchases of Raw Materials	2,50,000
Return Inward	5,000	Coal consumed	9,000
Return Outward	3,500	Work-in-progress (1-4-2003)	7,000
Power and fuel	8,000	Bank Interest Received	2,600

Adjustments necessary for the following:

- Finished goods worth Rs.5, 000 were distributed as free samples.
- A loan was obtain on 1st October, 2003 for Rs. 50,000 carrying interest @ 10% p.a.
- Bad debts to be written off Rs. 750 and provision for doubtful debts to be maintained at Rs. 7,000.
- Electricity and Telephone to be apportioned as Factory 3/5th and office 2/5th.
- A fire occurred destroying finished goods worth Rs. 15,000. Insurance Company admitted a claim of Rs. 12,000 not yet received.
- stock on 31-3-2004 stationery in hand Rs. 150, Raw material Rs. 22,000. Work-in-Progress Rs. 4,000. Finished goods Rs. 40,000.

You are required to prepare the manufacturing accounts and trading account and profit & loss account for the year ended on 31st March, 2004.

5. Vinayaka's Trial Balance as on 31st March 2004 is as follows:

Particulars	Dr. Rs.	Cr. Rs.	Particulars	Dr. Rs.	Cr. Rs.
Opening Stock:			Printing & stationery	5,200	
Raw Material	2,50,000		Bank Charges	2,500	
Work-in-Progress	80,000		Traveling Expenses	10,000	
Finished Goods	2,20,000		Discount	3,300	
Purchases	2,15,000		Sales return	11,000	
Building	1,50,000		Advertisement	5,500	
Plant & Machinery	3,60,000		Sales		7,80,000
Furniture	40,000		Capital-		8,50,000
Trade Mark	30,000		Sundry Creditors		52,000
Wages	83,000		Sundry debtors	82,500	
Factory Taxes	4,000		Discount		2,500
Motive Power	9,000		Miscellaneous Expenses	5,500	
Factory Insurance	5,000		Bills Payable		34,000
Salary to office staff	11,000		Bills Receivable	16,000	
Office Rent	10,500		Corporation bank	98,000	
Carriage Inward	2,500		Cash on hand	9,000	
				17,18,500	17,18,500

Adjustments:

- (1) Closing stock: Rs.
 Raw Materials 85,000
 Work-in-Progress 30,000
 Finished Goods 2,05,000
- (2) Factory taxes prepaid Rs. 2,000.
- (3) Depreciation: Furniture 10%
 Plant & machinery 15%
 Trade Mark 20%
 Building 5%

Please prepare manufacturing, Trading and Profit & Loss Account for the financial year 2003-04 and Balance Sheet as on 31-3-2004.

6. Amar Chemicals has the following ledger balance as on 31st March, 2004.

Particulars	Dr. Rs.	Cr. Rs.	Particulars	Dr. Rs.	Cr. Rs.
Goodwill	50,000		Net Sales		11,00,000
Factory Shed	20,000		Miscellaneous Income		4,000
Machinery	1,30,000		Bad Debts Reserve		5,000
Furniture	8,000		Purchase of materials	8,60,000	

Investment	10,000		Freight on materials	50,000	
Capital		1,95,000	Factory Power	15,000	
Bank Loan		3,00,000	Salaries and Wages:		
Creditors		1,50,000	-Factory	1,50,000	
Debtors	1,35,000		-Office	65,000	
Stock on 1-4-2003			Repairs and Renewals	2,500	
-Materials	1,30,000		Rent and Taxes	16,500	
-Work-in-Progress	7,500		Insurance	3,900	
-Finished Goods	82,500		General Expenses	18,100	
				17,54,000	17,54,000

The following additional information is available:

(1) Closing stock: Material Rs. 2, 10,000; Work-in-Progress Rs. 12,500 and Finished Goods Rs. 2, 07,500.

(2) Depreciation to be provide at 2 ½% on Factory Shed, 10% on Machinery and 15% on Furniture.

(3) Repairs and rent and taxes are to be apportioned between Factory and office in the ratio of 3:2.

(4) Reserve for bad and doubtful debts to be provide at 4% on debtors.

(5) Insurance Premium covers a period of one month in advance.

You are required to prepare Manufacturing, Trading and Profit & Loss Account for the year ended 31st march, 2004 and Balance Sheet as on that date.