

Exercises

1. From the following trial balance, which is extracted after one year's trading prepare a trading and profit and loss account for the year ended 31 Dec. 2013 and a Balance Sheet as at that date.

Trial balance as at 31 December 2013

	Dr	Cr
	£	£
Sales		235,812
Purchases	121,040	
Premises	53,000	
Car	4,300	
Capital		23,263
Cash	325	
Salaries	39,560	
Business rates	2400	
General expenses	305	
Insurance	1240	
Motor expenses	910	
Bank	2,715	
Drawings	23,400	
Debtors	21,080	
Creditors		11,200
	<u>270,275</u>	<u>270,275</u>

Stock as at 31 December 2013 was valued at £14,486

2. From the following trial balance prepare a Profit & Loss account for the year ended 31 March 2011 and a Balance Sheet as at that date.

Trial balance as at 31 March 2011

	Dr	Cr
	£	£
Sales		23,414
Purchases	16,111	
Capital		40,000
Debtors	6,019	
Creditors		5,645
Cash in hand	3,765	
Cash at bank	129	
Land and buildings	26,000	
Fixtures and fittings	7,500	
Equipment	5,000	
Wages	1,900	
Motor vans	279	
Drawings	1,900	
Other expenses	456	
	69,059	69,059

Note: Closing stock as at 31 March 2011 was £4,344.

3. From the following trial balance of P. Alexander, after her first year's trading, you are asked to prepare an Income Statement for the year ended 30 June 2009 and a Balance Sheet as at that date.

	Dr	Cr
	£	£
Sales		113,321
Purchases	98,777	
Capital		68,744
Debtors	6,019	
Creditors		5,645
Bank		6,554
Cash in hand	443	
Premises	50,000	
Fixtures and fittings	10,000	
Equipment	12,500	
Advertising	894	
Wages	6,555	
Drawings	5,444	
Sundries	577	
Rent	1,855	
Insurance	1,200	
	194,264	194,264

Closing stock at the end of the year was valued at £9,887

4. From the following trial balance prepare a Profit & Loss account for the year ended 31 December 2011 and a Balance Sheet as at that date.

Trial balance as at 31 December

.	Dr	Cr
	£	£
Sales		17,665
Purchases	12,332	
Capital		55,000
Debtors	4,353	
Creditors		3,477
Cash at bank	1,500	
Cash in hand	691	
Fixtures and fittings	35,000	
Equipment	7,450	
Vehicles	8,700	
Wages	1,900	
Drawings	2,500	
Rent	961	
Other expenses	755	
	76,142	76,142

Note: Stock as at 31 December was valued at £8,997.

5. From the following trial balance prepare a Profit and Loss account for the year ended 31 December 2011 and a Balance Sheet as at that date.

Trial balance as at 31 December 2011

	Dr £	Cr £
Revenue		108,000
Purchases	82,745	
Wages	9,745	
Insurance	1,742	
Drawings	4,600	
Premises	34,000	
Equipment	8,600	
Debtors	4,850	
Creditors		3,645
Bank	3,250	
Cash in hand	303	
Other expenses	500	
Stock as at 1 January	7,950	
Rates	860	
Capital		47,500
	159,145	159,145

Note: Closing stock as at 31 December 2011 was valued at £8,990.