

Q8. Following balances appear in the Trial Balance of a firm as on 31st March, 2024:

Opening Stock: Raw Materials	80,000
Finished Goods	1,40,000
Purchases	3,60,000
Sales	7,00,000
Returns: Purchases	10,000
Sales	6,000
Wages	1,30,000
Factory Expenses	90,000
Freight: Inwards	20,000
Outwards	30,000
At the end of the accounting period, stock was:	
Raw Materials	70,000
Work-in-Progress	20,000
Finished Goods	1,10,000

Prepare Trading Account of the firm.

Solution –

Financial Statement of.....

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Trading Account for the Year ended March 31, 2024

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Particulars	Amount	Particulars	Amount
To Opening Stock of Raw Material A/c	80,000	By Sales A/c	7,00,000
To Opening Stock of Finished Goods A/c	1,40,000	Less: Return Inwards A/c	<u>6,000</u>
To Purchases A/c	3,60,000		
Less: Return Outwards A/c	10,000	By Closing Stock of Raw Material A/c	70,000
	3,50,000	By Closing Stock of Work-in-progress A/c	20,000
To Freight Inwards A/c	20,000	By Closing Stock Finished Goods A/c	1,10,000
To Factory Expense A/c	90,000		
To Wages A/c	1,30,000		

To Gross Profit A/c (b/f)	84,000		
	8,94,000		8,94,000

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