



Ref. No.: DBC/FA

Date: 19 Sept., 2020

B.COM. PART 1

CORE CONCEPT OF FINANCIAL ACCOUNTING

Trading Account

Particular	Amount	Particular	Amount
To Opening stock		By Sales	
To Purchases		Less : Return inwards	
Less : purchase return		Or	
To Wages		Sales Returns	
To Fuel & Power		By Closing stock	
To Carriage inwards		By Gross loss c/d *	
To Royalty on production		(transferred to profit and loss A/c)	
To Power			
To Coal water, Gas			
To Import duty			
To Consumable stores			
To Factory expenses			
To Gross profit c/d *			
(transferred to profit and loss A/c)			

Profit and Loss Account

Particular	Amount	Particular	Amount
To Gross Loss b/d *		By Gross Profit b/d *	
(transferred from profit and loss A/c)		(transferred from profit and loss A/c)	
To Salaries		By Dividends received	
To Rent rates & taxes		By Interest received	
To Printing & Stationery		By Discount received	
To Postage and Telegrams		By commission received	
To Telephone expenses		By Rent received	
To Legal charges		By Profit on sale of assets	
To Insurance		By Sundry revenue receipts	
To Audit fees		By Net loss transferred to capital a/c (bal.fig)*	
To Directors fees			
To General expenses			
To Showroom expenses			
To Advertising			
To Commission paid to salesmen			
To Bad debts			
To Provision for doubtful debts			
To Go-down rent			
To Carriage outward			



To Upkeep of delivery vans To Depreciation To Interest on borrowings To Discount allowed To Loss on sale of assets To Net profit transferred to capital A/c (bal.fig)			
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Balance Sheet

Liabilities	Amount	Assets	Amount
Capital		Fixed assets	
Add: Net profit		Goodwill	
Add: Interest on capital		Land & Buildings	
Less: Drawing		Loose tools	
Less: Int. on drawings		Furniture & fixtures	
Less: Loss if any		Vehicles	
Loan on mortgage		Patents	
Bank loan		Trade marks	
Sundry creditors		Long term loans (advances)	
Bills payable		Closing stock	
Bank overdraft		Sundry debtors	
Creditors for outstanding expenses		Bills receivable	
Income received in advance		Prepaid expenses	
		Accrued incomes	
		Cash at bank	
		Cash in hand	
		Preliminary expenses	
		Advertisement expenses	
		Underwriting commission	
		Discount on issue of shares	
		Discount on issue of debentures	