

# CH 04

## TRIAL BALANCE

### Question 1

ICMAI MAT

Solution Module Page no.

The total of debit side of the Trial Balance of SR Ltd. as at 31.3.2021 is ₹ 2,92,000 and that of the credit side is ₹ 1,80,800. After detailed checking, the following errors were identified:

| Name of Accounts    | Correct Figures<br>(as it should be) | Figures as it appears<br>in the Trial Balance |
|---------------------|--------------------------------------|---|
| Opening stock       | 12,000                               | 8,000   |
| Salaries            | 28,800                               | 50,400  |
| Accounts Receivable | 83,200                               | 1,26,400                                      |
| Trade Creditors     | 64,800                               | 14,400  |

You are required to ascertain the correct total of the Trial Balance.

### Question 2

YKTC

Solution Module Page no.

A book-keeper draws a trial balance on 31<sup>st</sup> December 2024 in which he casts total debit of Rs.46,500 And total credit of Rs.21,300. on checking the books of accounts following were discovered.

|                                     | Correct ledger balance | Figure shown in trial balance |
|-------------------------------------|------------------------|-------------------------------|
| Closing stock (not yet adjusted)    | 4,500                  | 4,500 (Dr. Side)              |
| Provision for discount on creditors | 350                    | 360 (Cr. Side)                |
| Leasehold property                  | 9,700                  | 9,350 (Cr. Side)              |
| Loan on mortgage                    | 6,400                  | 4,600 (Cr. Side)              |
| Bank overdraft                      | 9,980                  | 9,980 (Dr. Side)              |

## PREVIOUS YEARS EXAM QUESTIONS

### Question 1

Exam Dec 23

From the following details, prepare an Adjusted Trial Balance as at 31-3-23.

|                       | ₹      |                     | ₹      |
|-----------------------|--------|---------------------|--------|
| Purchase              | 65,000 | Sundry Creditors    | 35,000 |
| Carriage Inward       | 1,000  | Plant and Machinery | 10,000 |
| Wages                 | 6,000  | Buildings           | 5,000  |
| Salaries              | 10,000 | Furniture           | 3,000  |
| Rent, rates and taxes | 1,800  | Bills Receivable    | 10,000 |
| Insurance             | 1,500  | Sundry Debtors      | 40,000 |
| Interest paid         | 1,000  | Capital             | 66,000 |
| Sales                 | 95,000 | Sundry Expenses     | 5,000  |
| Cash and Bank         | 21,500 | Opening Stock       | 21,000 |
| Bills Payable         | 5,800  |                     |        |

- i) Salaries and wages due to be paid, 2,000 and 1,000 respectively.
- ii) Insurance was paid to the extent of 300 advances.
- iii) A sum of, 500 to be written off as bad debt out of sundry debtors and a provision of 5% to be created for doubtful debts.
- iv) Sundry expenses include ₹ 2,000 spent for the personal purpose of the proprietor.
- v) Sales for the period include ₹ 500 worth of goods (cost price) taken by the proprietor for personal consumption. He has also taken goods worth ₹ 1,000 (cost price) for personal consumption which has not been recorded in the books.
- vi) Depreciation to be provided as follows
 

|                     |          |
|---------------------|----------|
| Plant and Machinery | 10%      |
| Buildings           | 5%       |
| Furniture           | 10%      |
| Closing Stock       | ₹ 20,000 |



**Question 2**

**Exam June 18**

A bookkeeper extracted the following Trial Balance as on 31st March, 2018:

| Heads of Accounts                    | Dr Balance<br>(₹) | Cr Balance<br>(₹) |
|--------------------------------------|-------------------|-------------------|
| Furniture                            | 20,000            | .....             |
| Capital                              | ....              | 2,00,000          |
| Debtors                              | 2,00,000          | .....             |
| Stock (1 <sup>st</sup> April, 2017)  | 1,04,000          | ....              |
| Creditors                            | ....              | 80,000            |
| Trade Expenses                       | 50,000            | ....              |
| Sales                                | .....             | 8,58,000          |
| Wages                                | 30,000            | ....              |
| Stock (31 <sup>st</sup> March, 2018) | 98,000            | ....              |
| Machinery                            | .....             | 50,000            |
| Purchases                            | 6,25,000          | ....              |
| Wife's loan to the business          | 50,000            | ....              |
| Discount allowed                     | ....              | 4,000             |
| Drawings made by the Proprietor      | .....             | 45,000            |
| Motor Van                            | 60,000            | .....             |
| <b>Total</b>                         | <b>12,37,000</b>  | <b>12,37,000</b>  |

You are required to:

- State the errors giving reasons,
- Redraft the Trial Balance correctly