Journal of Hitesh Traders

Date	Particulars	L. F.	Amount Dr. (₹)	Amount Cr. (₹)
2024				
Mar 31	Trading A/c Dr.		16,200	
	To Purchases A/c			16,000
	To Carriage Inward A/c			200
	(Closing and transferring items to the debit side of Trading A/c.)			
”	Sales A/c Dr.		18,500	
	To Trading A/c			18,500
	(Closing and transferring sales to the credit side of Trading A/c.)			
”	Trading A/c Dr.		2,300	
	To Profit & Loss A/c			2,300
	(Closing Trading A/c and transferring Gross Profit to Profit & Loss A/c.)			
”	Profit & Loss A/c Dr.		12,525	
	To Discount Allowed A/c			425
	To Bad Debts A/c			900
	To Stationery Expense A/c			1,000
	To Interest on Loan A/c			200
	To Rent A/c			10,000
	(Closing and transferring expenses & losses to the debit side of Profit & Loss A/c.)			
”	Discount Received A/c Dr.		300	
	To Profit & Loss A/c			300
	(Closing and transferring gains to the credit side of Profit & Loss A/c.)			
”	Capital A/c Dr.		9,925	
	To Profit & Loss A/c			9,925
	(Closing Profit & Loss A/c and transferring Net Loss to Capital A/c.)			

Trading A/c of Hitesh Traders
for the year ended 31st March, 2024

Expenses & Losses	₹	Incomes & Gains	₹
To Purchases A/c*	16,000	By Sales A/c	18,500
To **Direct Expenses**:			
Carriage Inwards A/c			
To Profit & Loss A/c (Transfer of **Gross Profit**)	2,300		
	18,500		18,500

* The Stock left has already been deducted from Purchases A/c, which is why it appears in the Trial Balance. As a result, there is no closing stock on the credit side of Trading A/c. Secondly, there was no opening stock to begin with and hence, that too, is not seen here.

Profit & Loss A/c of Hitesh Traders
for the year ended 31st March, 2024

Expenses & Losses	₹	Incomes & Gains	₹
To **Office & Admin Expenses:**		By Trading A/c (**Gross Profit**)	2,300
Rent A/c*	10,000		
Stationery Expense A/c	1,000	By **Other Incomes & Gains:**	
		Discount Received A/c	300
To **Selling & Dist. Expenses:**			
Discount Allowed A/c	425	By Capital A/c (Transfer of **Net Loss**)	9,925
To **Financial Expenses:**			
Interest on Loan A/c	200		
To **Other Expenses & Losses**:			
Bad Debts A/c	900		
	12,525		12,525

* Net rent expense figure, after deduction of ₹20,000 as prepaid rent.

Balance Sheet of Hitesh Traders as at 31st March, 2024

Equity-Liabilities		₹	Assets		₹
Capital	1,00,000		**Non-Current Assets:**		
Less: **Net Loss**	9,925	90,075	Furniture		10,000
Non-Current Liabilities		25,000	**Current Assets:**		
9.6% Kotak Bank Loan			Cash Balance		51,350
			Bank Balance		27,475
Current Liabilities:			Stock		15,000
Creditors:			Debtors:		
ABC Mart	5,000		*Vivek*	1,250	1,250
Trupti Traders	5,000	10,000	Prepaid Rent		20,000
		1,25,075			1,25,075