

The following is the Trial Balance of the Choonabhathi Tea Company Limited as on 31st March 2015

DEBIT BALANCES	Rs	CREDIT BALANCES
Furniture	10000	Equity Share Capital shares of
Development Expenditure ( cost)	240000	Rs. 10 each, fully paid
Land and Buildings	185000	14% Preference Share Capital
Worker''s Houses	125000	in Shares of Rs. 10 each, fully paid
Plant and Machinery	45000	P.& L.A/c Balance
Stocks of Manures, Packing Materials, ect.	11000	General Reseve
Manures Used	15000	Due for Excise Duty
Packing Materials used for Despatches	10000	Sundry Creditors
Sundry Stores	4000	Due for Wages
Wages to Garden Workers	86000	Due for Rates and Taxes
Wages to Factory Workers	15000	Sales ( 10,000 kg.)
Salaries	25000	Excluding a calim field by a worker
Escise Duty ( on sales )	15000	for Rs. 10 lakh for alleged wrongful
Freight Inwards	2500	dismissal
Freight on Sales	17000	
Selling Brokerage	3000	
Interest	5500	
Cash in hand	120	
Directors' Fees	4000	
Managing Director's Salary	10000	
Rates and Taxes	4100	
Preference Dividend paid for 2014 -2015	14000	
Dividend Distribution Tax paid	2380	
Stock of tea on hand on 1st April 2009 (1,000 kg.)	35000	
Insurance	8000	
Cash at Bank	101600	
	993200	

Half the manures, Rs. 10000 of wages, and Rs. 100000 of stores were used for development of (new) areas not in bearing. It is estimated that the life of matured plants is 40 years.

Depreciation is to be provided @ 5% on Land and Buildings, and workers houses. @ 15% on Plant and Machinery, and 10% on Furniture.

Provision for taxation to be created at 30%

The directors propose to declare dividend of Rs. 0.5 per equity shares after transfer of 10% of profit a

A provision for dividend distribution tax at 17% to be made

Production during the year 2014-15 totalled to 10500 kg

**Prepare Statement of Profit & Loss for the year ended 31st March 2015 and Balance Sheet as at that**

Rs
400000
100000
5700
50000
5000
40500
15000
2000
375000
993200

|

fter tax to General Reserve.

: date.

HEAD OF ACCOUNT	P/B	PL account	PL APP A/C
Furniture	B		
Development Expenditure ( cost)	B		
Land and Buildings	B		
Worker''s Houses	B		
Plant and Machinery	B		
Stocks of Manures, Packing Materials	P	Stocks of Manures, Packing Materials	
Manures Used	P	Manures Used	
Packing Materials used for Despatches	P	Packing Materials used for Despatches	
Sundry Stores	P	Sundry Stores	
Wages to Garden Workers	P	Wages to Garden Workers	
Wages to Factory Workers	P	Wages to Factory Workers	
Salaries	P	Salaries	
Escise Duty ( on sales )	P	Escise Duty ( on sales )	
Freight Inwards	P	Freight Inwards	
Freight on Sales	P	Freight on Sales	
Selling Brokerage	P	Selling Brokerage	
Interest	P	Interest	
Cash in hand	B		
Directors' Fees	P	Directors' Fees	
Managing Director's Salary	P	Managing Director's Salary	
Rates and Taxes	P	Rates and Taxes	
Preference Dividend paid for 2014 -2015	B		
Dividend Distribution Tax paid	B		
Stock of tea on hand on 1st April 2009	P	Stock of tea on hand on 1st April 2009	
Insurance	P	Insurance	
Cash at Bank	B		
Equity Share Capital shares of Rs. 10 each, fully paid	B		
14% Preference Share Capital in Shares of Rs. 10 each, fully paid	B		
P.& L.A/c Balance	B		
General Reserve	B		
Due for Excise Duty	B		
Sundry Creditors	B		
Due for Wages	B		
Due for Rates and Taxes	B		
Sales ( 10,000 kg.)	P	Sales ( 10,000 kg.)	
Excluding a calim field by a worker for Rs. 10 lakh for alleged wrongful			
Development Expenditure ( cost)	B		
Manures Used	P	Manures Used	
Development Expenditure ( cost)	B		
Wages to Factory Workers	P	Wages to Factory Workers	
Development Expenditure ( cost)	B		
Sundry Stores	P	Sundry Stores	
Depreciation on L&B	P	Depreciation on L&B	

Land and Buildings	B		
Depreciation on workers house	p	Depreciation on workers house	
Worker''s Houses	B		
Depreciation on plant & Machinery	p	Depreciation on plant & Machinery	
Plant and Machinery	B		
Depreciation on Furniture	P	Depreciation on Furniture	
Furniture	b		
PL ACCOUNT	P	PL ACCOUNT	
PL APP ACCOUNT	PLA		PL APP ACCOUNT
PL APP ACCOUNT	PLA		PL APP ACCOUNT
PROVISION FOR TAXATION	B		
PL APP ACCOUNT	PLA		PL APP ACCOUNT
General Reserve	B		
PL APP ACCOUNT	PLA		PL APP ACCOUNT
DIVIDEND PAYABLE	B		
PL APP ACCOUNT	PLA		PL APP ACCOUNT
DIVIDEND TAX PAYABLE	B		
PL APP ACCOUNT	PLA		PL APP ACCOUNT
P.& L.A/c Balance	B		



Land and Buildings		2250	Depreciation entries
	6250		
Worker"s Houses		6250	
	6750		
Plant and Machinery		6750	
	1000		
Furniture		1000	
	206150		Net profit transferred to PL A account
		206150	
	61845		Tax provision at 30% on NP
PROVISION FOR TAXATION		61845	
	14430		10% of PAT transferred to General Reserve
General Reserve		14430	
	20000		Dividend decision of Board at Rs. 0.5 per share
DIVIDEND PAYABLE		20000	
	3400		Dividend tax on Dividend payable
DIVIDEND TAX PAYABLE		3400	
	106475		Transfer of balance in PLA account to PL A/c Balance
P.& L.A/c Balance		106475	

Row Labels	Sum of dr	Sum of cr
	929250	1046750
Depreciation on Furniture	1000	
Depreciation on L&B	2250	
Depreciation on plant & Machinery	6750	
Depreciation on workers house	6250	
Directors' Fees	4000	
Escise Duty ( on sales )	15000	
Freight Inwards	2500	
Freight on Sales	17000	
Insurance	8000	
Interest	5500	
Managing Director's Salary	10000	
Manures Used	15000	7500
Packing Materials used for Despatches	10000	
<b>PL ACCOUNT</b>	<b>206150</b>	
Rates and Taxes	4100	
Salaries	25000	
Sales ( 10,000 kg.)		375000
Selling Brokerage	3000	
Stock of tea on hand on 1st April 2009	35000	
Stocks of Manures, Packing Materials	11000	
Sundry Stores	4000	100000
Wages to Factory Workers	15000	10000
Wages to Garden Workers	86000	
(blank)	117500	
<b>Grand Total</b>	<b>1539250</b>	<b>1539250</b>

<b>Row Labels</b>	<b>Sum of dr</b>	<b>Sum of cr</b>
PL APP ACCOUNT	206150	206150
(blank)	1333100	1333100
<b>Grand Total</b>	<b>1539250</b>	<b>1539250</b>



Row Labels	Sum of dr	Sum of cr
	286350	392500
14% Preference Share Capital		100000
Cash at Bank	101600	
Cash in hand	120	
Development Expenditure ( cost)	357500	
Dividend Distribution Tax paid	2380	
DIVIDEND PAYABLE		20000
DIVIDEND TAX PAYABLE		3400
Due for Excise Duty		5000
Due for Rates and Taxes		2000
Due for Wages		15000
Equity Share Capital shares of		400000
Furniture	10000	1000
General Reserve		64430
Land and Buildings	185000	2250
P.& L.A/c Balance		112175
Plant and Machinery	45000	6750
Preference Dividend paid for 2014 -2015	14000	
PROVISION FOR TAXATION		61845
Sundry Creditors		40500
Worker"s Houses	125000	6250
(blank)	412300	306150
<b>Grand Total</b>	<b>1539250</b>	<b>1539250</b>

14% Preference Share Capital		100000
Cash at Bank	101600	
Cash in hand	120	
Development Expenditure ( cost)	357500	
Dividend Distribution Tax paid	2380	
DIVIDEND PAYABLE		20000
DIVIDEND TAX PAYABLE		3400
Due for Excise Duty		5000
Due for Rates and Taxes		2000
Due for Wages		15000
Equity Share Capital shares of		400000
Furniture	10000	1000
General Reserve		64430
Land and Buildings	185000	2250
P.& L.A/c Balance		112175
Plant and Machinery	45000	6750
Preference Dividend paid for 2014 -2015	14000	
PROVISION FOR TAXATION		61845
Sundry Creditors		40500
Worker"s Houses	125000	6250
	840600	840600