**Blog Question**

**Principles of Accounts**

**Topic: Income statement and Statement of Financial Position**

**Class: 9-T Week: 29th jan-2 Feb. 18**

From the following trial balance of B Morse drawn up on conclusion of his first year in business,

draw up a trading and profit and loss account for the year ended 31 December 20X8. A balance

sheet is not required.

**Trial Balance as at 31 December 2008**

*Dr Cr*

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General expenses 305

Business rates 2,400

Motor expenses 910

Salaries 39,560

Insurance 1,240

Purchases 121,040

Sales 235,812

Car 4,300

Trade Payables 11,200

Trade Receivables 21,080

Premises 53,000

Cash at bank 2,715

Cash in hand 325

Capital 23,263

Drawings 23,400

270,275 270,275

Inventory at 31 December 2008 was $14,486.