

**Trading and Profit and Loss Account for the year Ended 28 February, 2022 (K)**

Sales		19,740.0		
Less cost of goods sold:				
Opening stock	2,970.0			
Add purchases	11,280.0			
	14,250.0			
Less closing stock	3,510.0	<u>10,740.0</u>		
Gross profit		9,000.0		
Add discounts received		<u>360.0</u>		
		9,360.0		
Less expenses				
Wages and salaries (2,580 + 90)	2,670.0			
Rent (1,020 - 60)	960.0			
Discounts allowed	690.0			
Van running costs (450 + 60)	510.0			
Bad debts (810 + 60)	870.0			
Depreciation:				
Office furniture	180.0			
Delivery van	480.0			
Total Expenses		<u>6,360.0</u>		
Net profit		<u><u>3,000.0</u></u>		

Statement of Financial Position as at February 28, 2022 (K)		
Fixed Assets		
Office Furniture	1,440.0	
Less depreciation	180.0	1,260.0
Delivery van	2,400.0	
Less depreciation	480.0	<u>1,920.0</u>
Total Fixed assets		3,180.0
Current Assets		
Stock		3,510.0
Debtors	4,920.0	
Less provision for bad debts (270 + 60)	330.0	4,590.0
Prepaid expenses		60.0
Cash at bank		1,140.0
Cash in hand		<u>210.0</u>
Total current assets		9,510.0
Total assets (Fixed + Current)		<u>12,690.0</u>
Finance by:		
Capital		
Balance as at March 1, 2021	9,900.0	
Add net profit	<u>3,000.0</u>	
	12,900.0	
Less drawings	<u>2,850.0</u>	
Capital as at February 28, 2022		10,050.0
Add liabilities:		
Long-term liabilities		-
Current liabilities		
Creditors	2,490.0	
Expenses Owing (90 + 60)	150.0	
Total current liabilities		<u>2,640.0</u>
Total Capital + liabilities		<u>12,690.0</u>