**Problem no. 01**

Following is the trial balance of Charuta Private Limited for the year ended December 31, 2021.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Sl. | Particulars | Ref. | Debit (Tk.) | Credit (Tk.) |
|  | Capital |  |  | 10,00,000 |
|  | Commission received |  |  | 2,00,000 |
|  | Service revenues |  |  | 7,00,000 |
|  | Salaries expense |  | 2,00,000 |  |
|  | Advertising expense |  | 3,00,000 |  |
|  | Drawings |  | 1,00,000 |  |
|  | Notes payable |  |  | 2,00,000 |
|  | Accounts payable |  |  | 3,00,000 |
|  | Building |  | 7,00,000 |  |
|  | Interest expenses |  | 1,00,000 |  |
|  | Accounts receivable |  | 2,00,000 |  |
|  | Furniture |  | 7,00,000 |  |
|  | Utilities expenses |  | 2,50,000 |  |
|  | Legal expenses |  | 1,50,000 |  |
|  | Others received |  |  | 3,00,000 |
|  | Land property |  | 3,00,000 |  |
|  | Rents revenues |  |  | 3,00,000 |
| Total | |  | 30,00,000 | 30,00,000 |

Requirement: Prepare income statement, owners’ equity statement and balance sheet.

**Solution:**

|  |  |  |
| --- | --- | --- |
| Charuta Private Limited  Income statement  For the year ended December 31, 2021. | | |
| **Revenues/ Income:**  Commission received  Service revenues  Others received  Rents revenues  Total Revenues  **(-) Expenses:**  Salaries expense  Advertising expense  Interest expenses  Utilities expenses  Legal expenses  Total expense  **Net Profit** | 2,00,000  7,00,000  3,00,000  3,00,000  2,00,000  3,00,000  1,00,000  2,50,000  1,50,000 | 15,00,000  (10,00,000)  5,00,000 |

|  |  |  |
| --- | --- | --- |
| Charuta Private Limited  Owners’ Equity  For the year ended December 31, 2021. | | |
| Capital  (+) Net Profit  (-) Drawing  Owners’ Equity | 10,00,000  5,00,000  15,00,000  (1,00,000) | 14,00,000 |

|  |  |  |
| --- | --- | --- |
| Charuta Private Limited  Balance Sheet  As on December 31, 2021. | | |
| **Assets:**  Building  Accounts receivable  Furniture  Land property  Total  **Liabilities + owners’ Equity:**  Notes payable  Accounts payable  Owners’ Equity  Total | 7,00,000  2,00,000  7,00,000  3,00,000  2,00,000  3,00,000  14,00,000 | 19,00,000  19,00,000 |

Problem No. 02

Following is the trial balance of Uddoyon Development & Consultancy for the year ended December 31, 2021.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Sl. | Particulars | Ref. | Debit (Tk.) | Credit (Tk.) |
|  | Capital |  |  | 20,00,000 |
|  | Commission received |  |  | 5,00,000 |
|  | Bank loan |  |  | 10,00,000 |
|  | Drawing |  | 1,00,000 |  |
|  | Service revenues |  |  | 8,00,000 |
|  | Salaries expense |  | 2,00,000 |  |
|  | Advertising expense |  | 50,000 |  |
|  | Depreciation Expenses |  | 1,00,000 |  |
|  | Notes payable |  |  | 2,00,000 |
|  | Accounts payable |  |  | 3,00,000 |
|  | Building |  | 23,00,000 |  |
|  | Interest expenses |  | 2,00,000 |  |
|  | Accounts receivable |  | 50,000 |  |
|  | Furniture’s and fixtures |  | 5,00,000 |  |
|  | Utilities expenses |  | 1,00,000 |  |
|  | Legal expenses |  | 2,00,000 |  |
|  | Travelling expenses |  | 1,00,000 |  |
|  | Others received |  |  | 5,00,000 |
|  | Land property |  | 15,00,000 |  |
|  | Rents received |  |  | 1,00,000 |
| Total | |  | 54,00,000 | 54,00,000 |

Requirement: Prepare income statement, owners’ equity statement and balance sheet.

Solution:

|  |  |  |
| --- | --- | --- |
| Uddoyon Development & Consultancy  Income statement  For the year ended December 31, 2021. | | |
| Revenues:  Commission received  Service revenues  Others received  Rents revenues  Total Revenues  (-) Expenses:  Salaries expense  Advertising expense  Utilities expenses  Legal expenses  Travelling expenses  Interest expenses  Depreciation Expenses  Total expense  Net Profit | 5,00,000  8,00,000  5,00,000  1,00,000  2,00,000  50,000  1,00,000  2,00,000  1,00,000  2,00,000  1,00,000 | 19,00,000  (9,50,000)  **9,50,000** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Uddoyon Development & Consultancy  Owners’ Equity  For the year ended December 31, 2021. | | | | |
| Capital  (+) Net Profit  (-) Drawing  Owners’ Equity | 20,00,000  **9,50,000**  29,50,000  (1,00,000) | | | 28,50,000 |
| Uddoyon Development & Consultancy  Balance Sheet  As on December 31, 2021. | | | | | | |
| Assets:  Building  Accounts receivable  Furniture’s and fixtures  Land property  Total  Liabilities and owners’ Equity:  Bank loan  Notes payable  Accounts payable  Owners’ Equity  Total | | | 23,00,000  50,000  5,00,000  15,00,000  10,00,000  2,00,000  3,00,000  28,50,000 | 43,50,000  43,50,000 | | |

Problem No. 03

Following is the trial balance of Interior Heights Constructions for the year ended December 31, 2021.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Sl. | Particulars | Ref. | Debit (Tk.) | Credit (Tk.) |
| 1. | Capital |  |  | 8,00,000 |
| 2. | Service revenues |  |  | 5,00,000 |
| 3. | Salaries expense |  | 1,50,000 |  |
| 4. | Advertising expense |  | 50,000 |  |
| 5. | Drawings |  | 30,000 |  |
| 6. | Bank loan |  |  | 2,00,000 |
| 7. | Accounts payable |  |  | 80,000 |
| 8. | Land property |  | 5,00,000 |  |
| 9. | Rents expenses/paid |  | 1,50,000 |  |
| 10. | Accounts receivable  trade / bills / note |  | 2,50,000 |  |
| 11. | Building |  | 4,50,000 |  |
| 12. | Utilities paid |  | 50,000 |  |
| 13. | Rents revenues |  |  | 50,000 |
| Total | |  | 16,30,000 | 16,30,000 |

Requirement: Prepare income statement, owners’ equity statement and balance sheet.

Solution:

|  |  |  |
| --- | --- | --- |
| Interior Heights Constructions  Income statement  For the year ended December 31, 2021. | | |
| Revenues:  Service revenues  Rents revenues  Total Revenues  (-) Expenses:  Advertising expense  Salaries expense  Rents expenses  Utilities paid  Total expense  Net Nrofit | 5,00,000  50,000  50,000  1,50,000  1,50,000  50,000 | 5,50,000  (4,00,000)  1,50,000 |

|  |  |  |
| --- | --- | --- |
| Interior Heights Constructions  Owners’ Equity  For the year ended December 31, 2021. | | |
| Capital  (+) Net Profit  (-) Drawing  Owners’ Equity | 8,00,000  1,50,000  9,50,000  (30,000) | 9,20,000 |

|  |  |  |
| --- | --- | --- |
| Interior Heights Constructions  Balance Sheet  As on December 31, 2021. | | |
| Assets:  Land property  Accounts receivable  Building  Total Assets  Liabilities and owners’ Equity:  Bank loan  Accounts payable  Owners’ Equity  Total Liabilities and owners’ Equity | 5,00,000  2,50,000  4,50,000  2,00,000  80,000  9,20,000 | 12,00,000  12,00,000 |

Problem No. 04

Following is the trial balance of Skyline Developers Ltd. for the year ended December 31, 2021.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Sl. | Particulars | Ref. | Debit (Tk.) | Credit (Tk.) |
| 1. | Capital |  |  | 5,00,000 |
| 2. | Service revenues |  |  | 5,00,000 |
| 3. | Salaries expense |  | 2,50,000 |  |
| 4. | Advertising expense |  | 80,000 |  |
| 5. | Drawing |  | 20,000 |  |
| 6. | Accounts payable |  |  | 70,000 |
| 7. | Accounts receivable |  | 5,90,000 |  |
| 8. | Furniture |  | 1,30,000 |  |
| 9. | Total |  | 10,70,000 | 10,70,000 |

Requirement: Prepare income statement, owners’ equity statement and balance sheet.

|  |  |  |
| --- | --- | --- |
| Skyline Developers Ltd.  Income statement  For the year ended December 31, 2021. | | |
| Revenues:  Service revenues  Total Revenues  (-) Expenses:  Salaries expense  Advertising expense  Total expense  Net profit | 5,00,000  2,50,000  80,000 | 5,00,000  (3,30,000)  1,70,000 |

|  |  |  |
| --- | --- | --- |
| Skyline Developers Ltd.  Owners’ Equity  For the year ended December 31, 2021. | | |
| Capital  (+) Net Profit  (-) Drawing  Owners’ Equity | 5,00,000  1,70,000  6,70,000  (20,000) | 6,50,000 |

|  |  |  |
| --- | --- | --- |
| Skyline Developers Ltd.  Balance Sheet  As on December 31, 2021. | | |
| Assets:  Accounts receivable  Furniture  Total Assets  Liabilities and owners’ Equity:  Accounts payable  Owners’ Equity  Total Liabilities and owners’ Equity | 5,90,000  1,30,000  70,000  6,50,000 | 7,20,000  7,20,000 |