

DELHI PUBLIC SCHOOL, JAMMU
FINAL ASSIGNMENT
ACCOUNTANCY

Q1 Show the accounting equation on the basis of following transactions and present a final Balance Sheet.

	Rs.
(i) Madam Rathore commenced a business	35,000
(ii) Purchased goods on credit	7,000
(iii) Withdrawn for private use	850
(vi) Purchased goods for cash	5,000
(v) Paid wages	150
(vi) Paid to creditors	5,000
(vii) Sold goods on credit (cost price Rs. 6,000)	7,500
(viii) Sold goods for cash (cost price Rs. 1,500)	2,000
(ix) Purchased furniture	250
(x) Received from debtors	7,500
(xi) Allowed interest on capital	175

Q2. Using following balances and transaction show accounting equation: cash Rs. 6,000, Bank Balance Rs. 1,500, Debtors Rs. 3,000, Goods Rs. 4,500. Furniture Rs. 3,000, Creditors Rs. 5,250 and Capital Rs. 12,750

(i) Purchase goods for cash	1,500
(ii) Purchased goods from Ram Saram	1,500
(iii) Returned goods to Ram Saram	300
(iv) Bad Debtors	750
(v) Goods lost by fire	750
(vi) Amount received by cheque from debtors	1,500
(vii) Goods costing Rs. 3,000 sold at 20% profit, half the amount received in cash	

(viii) Purchased goods for cash Rs. 2,250 and on credit for Rs. 1,500

(ix) Paid to creditors by cheque Rs. 1,500

(x) Interest allowed on capital Rs. 750

Q3. Create an Accounting Equation on the basis of the following transactions:

(i) Started business with cash	1,20,000
(ii) Purchased goods for cash	10,000
(iii) Rent received	5,000
(iv) Salary outstanding	2,000
(v) Prepared Insurance	1,000
(vi) Received interest	700
(vii) Sold goods for cash (costing Rs. 5,000)	7,000
(viii) Goods destroyed by fire	500

Q4. Journalize the following transaction of M/s K.L. Jain Agencies:

2018

Apr. 1	Started business with cash	50,000
Apr. 1	Purchased furniture for cash and paid IGST @ 12%	10,000
Apr. 2	Purchased goods for cash and IGST was charged @ 5%	10,000
Apr. 2	Sold goods for cash and charged IGST @ 5%	4,000
Apr. 4	Purchased goods from sharad	10,000
Apr. 8	Paid to sharad	4,000
Apr. 16	Sold goods to Anil	4,000
Apr. 18	Paid electrically bill	200
Apr. 20	Paid rent for the month	1,000

Q5. Journalise the following transactions:

a. Paid rent Rs. 500 and salaries Rs. 500

- b. Bought goods from vipul worth Rs. 2,000 and paid half the amount in cash
- c. Cash Rs. 10,000 and goods worth Rs. 6,000 invested in business.
- d. Proprietor withdrew for private use, cash Rs. 500 and goods Rs. 100
- e. Purchased machinery worth Rs. 5,000 and furniture worth Rs. 1,000 from Rainbow Ltd.

Q6. Journalise the following transactions of March, 2018 and post them into the ledger:

2018

	Rs.
Mar. 1 Commenced business with cash	50,000
Mar. 5 Purchases made	20,000
Mar. 8 Sold goods for cash	10,000
Mar. 10 Purchased goods from Mohan	10,000
Mar. 12 Sold goods to Sohan	10,000
Mar. 16 Furniture purchased	4,000
Mar. 18 Opened a current Account in UCO Bank	2,000
Mar. 22 Received cash from Sohan	5,000
Mar. 26 Withdrew cash for personal use	2,000
Mar. 28 paid to Mohan	4,000
Mar. 30 Paid Rent	1,000
Mar. 30 Paid Salaries	2,000
Mar. 30 Sold goods for cash to Rohan	2,000
Mar. 30 Paid to Mohan	6,000
Mar. 30 Received from Sohan	5,000

After posting into the ledger, you are required to prepare a trial balance by (i) Balance Method, (ii) Total Amount Method.

Q7. Prepare a Trial Balance from the following balances of Neelgagan Limited as on 31st March, 2018.

Particulars	Rs	Particulars	Rs
Opening stock	18,626	Provision for Doubtful Debts	600
Purchases	1,15,500	Discount Allowed	1,425
Capital	60,000	Discount Received	1,575
Drawings	5,250	Rent, Rates and Taxes	5,575
Sales	1,81,875	Furniture	7,000
Purchases Return	1,450	Cash	925
Sales Return	525	Trade Payable	24,625
Salaries	16,025	Trade Receivables	67,600
Wages	10,000	Bank Overdraft	4,875
Lighting and Electricity charges	6,550	Charity Fund	5,000
Office Equipments	15,000	Bank Loan	25,000
Building	35,000	Closing Stock	15,250

Q8. Prepare a cash book from the following transactions:

2018	Rs.
Oct. 1 Cash in hand	4,000
Oct. 4 Goods purchased for cash	1,000
Oct. 8 Goods sold to Grand Enterprises for cash	2,500
Oct. 12 Cash received from Disha	4,400
Allowed him discount	100
Oct. 15 Cash paid to Vivek	2,800
Oct. 20 Cartage paid	100
Oct. 28 Commission received	350
Oct. 30 Paid wages	60

Q9. Enter the following transaction in Cash Book and prepare ledger accounts:

2018	Rs.
Apr. 1 Cash Balance	8,000
Apr. 2 cash purchases	2,000

Apr. 4 Cash sales	5,000
Apr. 8 Cash received from Rohan	8,800
Apr. 12 cash paid for electricity charges	5,600
Apr. 15 wages paid	200
Apr. 18 Rent received	700
Apr. 20 paid Transportation charges	120
Apr. 21 Received from Mohit	8,000
Apr. 22 Sold goods for cash	2,000
Apr. 22 Paid to Mahi	5,000
Apr. 25 Purchased furniture	2,000
Apr. 26 Paid to Pala Ram to settle his account of Rs. 4,000	3,800
Apr. 30 Paid salary	500
Apr. 30 Received commission	300

Q10. Prepare Bank Reconciliation Statement from the following particulars:

- i. Bank overdraft as per Cash Book on 31st December, 2018 was Rs. 21,000
- ii. Cheques of Rs. 2,400 issued before 31st December, 2018 but presented for payment after that date.
- iii. Cheques paid into bank but not collected until 31st December, 2018 amounting to Rs. 5,200.
- iv. Interest on overdraft amounting to Rs. 1,000 did not appear in the cash book.
- v. Rs. 6,000 being interest on investments collected by the bank and credited in the pass book were not recorded in the cash book.
- vi. Rs. 800 in respect of dishonoured Bill Receivable were entered in the Pass Book but not in the Cash Book.

Q11. Tiwari & Sons find that the bank balance shown by their Cash Book on 31st December, 2017 is Rs. 40,500 (credit) but the pass book shows a difference due to the following reasons:

- i. A cheque for Rs. 5,000 drawn in favour of Manohar has not yet been presented for payment.
- ii. A post-dated cheque for Rs. 900 has been debited in the bank column of the cash book but it could not have been presented in any case.
- iii. Cheque totaling Rs. 10,200 deposited with the bank have not yet been collected and a cheque for Rs. 4,000 has been dishonoured.
- iv. A bill for Rs. 10,000 was retired by the bank under a rebate of Rs. 150 but the full amount of the bill was credited in the bank column of the cash book.

Prepare a Bank Reconciliation Statement and find out the balance as per the Pass Book.

Q12. On 31st March, 2018 the cash book of Shrish showed an overdraft of Rs. 16,800. From the following particulars, make out a Bank Reconciliation Statement.

- i. Cheque drawn but not cashed before 31st March, 2018 amounted to Rs. 11,838.
- ii. Cheque paid into the bank but not credited before 31st March, 2018 amounted to Rs. 14,673.
- iii. A bill Receivable for Rs. 1,560 previously discounted with the bank had been dishonoured and bank charges debited in the pass book amounted to Rs. 165.
- iv. Debit is made in the pass book for Rs. 360 on account of Rent of godown given as per standing instructions.

v. The bank has collected interest on current investment and credited Rs. 2,280 in the Pass book

Q13. Samir Limited purchased on 1st April, 2014 a plant for Rs. 1,80,000. On 1st July, 2015, it purchased additional plant costing Rs. 1,08,000. On 1st December, 2016 the plant purchased on 1st April, 2014 was sold off for Rs. 94,500 and on the same date fresh plant was purchased at the cost of Rs. 1,68,000. Depreciation is provided at 10% per annum on the Diminishing Balance Method every year. Accounts are closed each year on 31st March. Show the plant account for 3 years.

Q14. On 1st January 2015, the Rajasthan Transport Company purchased a Truck for Rs. 5,00,000. On 1st July, 2016 this truck was involved in an accident and was completely destroyed and Rs. 3,90,000 were received from the Insurance Company in full settlement. On the same date another truck was purchased by the Co. for Rs. 8,00,000. The Company writes off 20% depreciation p.a. on written Down value Method. Give the Truck Account from 2014-15 to 2016-17.

Q15. A drew a bills of exchange on B for Rs. 10,000 at two months, on 1st January, 2018. On the due date, the bill was dishonoured by B. Pass journal entries in the books of both the parties in following cases:

- i. When bill is kept by A till maturity
- ii. When it is discounted with bank at 12% p.a,
- iii. When it is endorsed to C.
- iv. When it is rent to bank for collection

Q16. A sold goods worth Rs. 20,000 to B and drew a bill of exchange for 3 months. The bill was accepted by B. On due date the bill was dishonoured and A paid Rs. 100 as nothing charges.

Pass Journal entries in the books of both the parties.

Q17. Pratap owed Rs. 40,000 to Kumar. On 1st April, 2018 Pratap accepted a bill of exchange drawn by Kumar at 3 moths. On the same day, kumar got the bill discounted at his bank at 10% per annum. On the due date, the bill was dishonoured and bank paid Rs. 150 as nothing charges. Give journal entries in the books of Pratap and kumar.

Q18. Ram is indebted to Shyam for Rs. 16,000. On 1st April, 2018 Ram accepted a two months bill for the amount. Shyam endorsed this bill to his creditor Mohan on 15th April, 2018. Mohan endorsed the bill further to his creditor Sohan on 25th April, 2018 who got it discounted with his bank on 29th April, 2018 at a discount of Rs. 200. The bill was dishonoured on maturity and Rs. 100 were paid as nothing charges.

Give journal entries in the books of all the parties except the bank.

Q19. Rectify the following errors:

- i. Goods returned to Rai Rs. 3,000 recorded through Sales Books as Rs. 1,000.
- ii. Total of returns inward Books Rs. 2,800 posted to Purchases A/c
- iii. Old machinery sold for Rs. 2,000 to Manesh recorded through sales book as Rs. 1,800 and posted to credit of Maneesh as Rs. 1200.

Q20. Rectify the following errors:

- i. Bought Radio for Rs. 1,000 for the proprietor was debited to General Expenses A/c
- ii. Bought goods from Mohan Rs. 2,000 was passed through the Sales Book however, the account of Mohan was credited correctly.

iii. Wages due Rs. 1,500 has not been adjusted.

Q21. Pass journal entries to rectify the following errors which were located after preparing the trial balance.

i. The sales book was overcast by Rs. 500

ii. Credit purchases from Aradh Rs. 6,000 were posted to the debit of her account as Rs. 9,000

iii. Goods returned from Ayan Rs. 8,000 were recorded in purchases return book.

iv. Wages paid Rs. 3,980 were recorded as Rs. 3,890

Q22 From the following extracts of the Trial Balance as at 31st March, 2018, pass necessary journal entries and show the treatment of bad debts and provision for doubtful debts in the relevant accounts and in financial statements.

Particulars	Dr. (Rs)	Cr. (Rs)
Sundry Debtors	1,30,000	
Provision for Doubtful Debts		7,500
Bad Debts	1,250	

Additional Information:

i. Further Bad Debts were for Rs. 5,000

ii. Provision for Doubtful Debts is to maintained at 10% on Sundry Debtors.

Q23 Following extracts have been taken from the trial balance of Mrs. Kajal Gupta a dress designers as at 31st March, 2018:

Particulars	Dr. (Rs)	Cr. (Rs)
Bad Debts	1,800	
Provision for Doubtful (1st April, 2017)		3,750
Sundry Debtors	1,00,000	

Additional Information:

i. Write off further Bad Debts Rs. 1,000.

ii. Provision for Doubtful Debts is to be maintained at 5% on Sundry Debtors

iii. Create a provision for discount on sundry Debtors at 3%

Q24. Prepare Trading and Profit & Loss Account and Balance Sheet from the following Trial Balance and information as at 31st March, 2018.

Particulars	Dr. (Rs)	Cr. (Rs)
Sundry Debtors and Creditors	1,82,000	3,57,500
Returns	13,000	27,000
Purchases and Sales	7,21,000	9,50,000
Drawings and Sales	75,000	5,00,000
Stock and Capital	1,98,000	-
Stock (1st April, 2017)	30,000	-
Bad debts	1,20,000	2,30,000
Bills Receivable and payable	62,100	-
Office Expenses	1,50,000	-
Sales van Expenses	14,000	-
Discount	-	29,100
Rent and Rates	1,07,000	-
Telephone charges	20,000	-
Furniture	50,000	-
Commission	1,11,500	-
Carriage inward	32,000	-
Salaries and wages	2,05,000	-
Cash in hand	3,000	-
	20,93,600	20,93,600

Adjustments:

- i. Closing stock was valued at Rs. 6,17,000
- ii. Depreciate furniture @ 10% p.a and Sales Van @ 20% p.a
- iii. Outstanding rent amounted to Rs. 9,000
- iv. Further bad debts Rs. 2,000
- v. Make a provision for doubtful debts @ 5% on Debtors

Rahul keeps his books on Single Entry System. On 1st April, 2016 his financial position was as follows:

Cash in hand Rs. 150, Cash at Bank Rs. 1,500, Trading Stock Rs. 6,500, Fixtures and Fittings Rs. 180, Total Creditors Rs. 5,000, Plant and Machinery Rs. 9,800, Total Debtors Rs. 4,800. During the year Rahul drew from business Rs. 4,000.

His financial position on 31st March, 2017 was as follows: Total Creditors Rs. 4,500, Plant and Machinery Rs. 10,000, Fixtures and Fittings Rs. 130, Total Debtors Rs. 9,900, Trading stock Rs. 7,200, Cash in hand Rs. 500, Bank Overdraft Rs. 2,500. Prepare Statement of profit or loss and a statement of Affairs at the end of the year.

Q25. Jitesh Commenced his business on 1st January, 2017 with a capital of Rs. 25,000. He immediately bought furniture for Rs. 6,000. During the year, he borrowed Rs. 15,000 from his wife and introduced a further capital of his own amounting to Rs. 9,500. He had withdrawn Rs. 900 at the end of each month for his family expenses.

On 31st December, 2017, his position was as follows.

Cash at bank Rs. 7,800; Cash in hand Rs. 600; Stock Rs. 20,400; Debtors Rs. 14,400; Bills Receivable Rs. 48,00; Creditors Rs. 15,00; Rent due Rs. 450.

Furniture to be depreciated by 10% Ascertain the profit or loss made during 2017.