

Q1. Give the names of accounts affected in the following transactions and also state the accounts to be debited in each transaction:

- 1 Arjun started business with Rs. 60000/- cash.
- 2 He paid Rent in cash Rs 100/-
- 3 Goods sold to the Nayan Rs. 50000/-
- 4 Vishal has paid Rs. 2000/- on our behalf to Mayur.
- 5 Received in Cash Rs. 1500 for commission.
- 6 Arjun withdraw Rs. 1100 for personal use from business.
- 7 Paid wages Rs. 200/-.
- 8 Goods of Rs. 1500/- distributed as sample
- 9 Borrowed Rs. 20000/- from Mahi.
- 10 Loan of Rs. 4000/- is given to Rupesh.
- 11 Purchased stationery worth Rs. 30/-
- 12 Received an order for goods from Bhadresh for Rs. 40000/-
- 13 Purchased a shop for business of Rs. 10,00,000/- and paid it by a cheque.
- 14 Bought goods worth Rs. 40000/-
- 15 Paid insurance premium of the shop by a cheque Rs. 50/-
- 16 Personal Typewriter worth Rs. 3500/- was brought in the business
- 17 Nayan returned goods worth Rs. 6000/-.
- 18 Paid Rs. 1500/- for carriage to Ramu
- 19 Sent an order for supplying goods to Kamlesh.
- 20 Goods of Rs. 5000/- were stolen away from business.

Note: Use the following table format for your answer.

Sr. No	Names of Accounts	Debit or Credit
1		

Q2. Describe the features of computers. What are the points to be considered while selecting proper accounting software?

[P.T.O]

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Q3. The following is the receipts and payments Account of the Lion's Hockey Club for the year ended 31-12-2020.

Receipt	Rs.	Payment	Rs.
Cash in hand (01-01-2020)	2000	Remuneration to club coach	5000
Balances as per Pass book (01-01-2020)		Groundmen's pay	2500
Savings Account	19300	Purchase of equipment	15500
Current Account	6000	Bar room Expenses	2000
Bank Interest	500	Ground Rent	2500
Entrance Fees to be capitalised	1800	Club night Expenses	3800
Donations & Subscription	25000	Printing & Stationery	3000
Bar room Receipts	4000	Repairs to equipments	5000
Contribution to club night	1000	Honorarium to secretary for 2019	4000
Sale of equipment	800	Balances as per passbook (31-12-2020)	
Net Proceeds of club night	7800	Saving Account	20400
		Current Account	2000
		Cash in Hand	2500
	68200		68200

Additional information (all figures in Rs.)

	Particulars	01/01/2020	31/12/2020
1	Subscription due from members	1500	1000
2	Sums due for printing and stationery	1000	800
3	Unpresented cheque on current account being payments for repairs.	3000	2500
4	Interest on saving Bank Account, not entered in passbook	-	200
5	Estimated value of equipment	8000	17500

6 For the year ended 31-12-2020 the honorarium to the secretary are to be increased by a total of Rs. 2000/- and the ground man is entitled to receive a bonus of Rs. 2000/-

You are required to prepare an Income & Expenditure Account for the year ended on 31-12-2020 and a balance sheet as on that date.

Q4. What is accounting? Explain the characteristics and Advantages of Accounting.

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Q5. Prepare a trading account, Profit & loss account and balance sheet as on 31st December, 2020 of Kriti Raval.

Trial Balance as on 31-12-2020			
Debit Balances	Rs.	Credit Balances	Rs.
Cash	5000	Dividend earned	1000
Insurance Premium	1000	Loan from friend Sweta	1000
Purchases adjusted	20000	Sales	40000
Sales Ledger Balances	10000	Purchase ledger Balances	5000
Loan to Friend Kajal	1000	Depreciation reserve fund for furniture	1000
Stock (01-01-2020)	2000	Bad debts Reserve	1400
Wages	3000	Outstanding Salaries	500
Bad Debts	1200	Capital Account	10000
Furniture	10000	Current Account	2000
Unexpired Insurance Premium	200	Loan Mortgage at 6%	10000
Office Expenses	5000	Discount on purchases	1000
Trading Expenses	5000	Apprentice Premium	600
Discount on sales	1000	Creditors for expenses	500
Depreciation on Plant & Machinery	600	Rent on sub fitting	2000
Investment	10000	Repairs & renewals provision	6000
Goodwill	10000	General Reserve	1000
Plant & Machinery	2800	Bills Payable	10000
Equipment	200		
Drawings	3000		
Income-Tax	2000		
	93000		93000

Take into account the following adjustment:

- 1 Goods valued at Rs. 300 have been distributed as free samples but not recorded in the books of accounts.
- 2 Interest on loan on mortgage Rs. 100 is neither paid nor recorded.
- 3 Furniture having book value of Rs. 500 was sold off during the year for Rs. 400, but entry has been passed only for cash received.
- 4 Equipment having book value of Rs. 200 were lost, entry for loss not recorded so far.
- 5 Wages included Rs. 200 spent on construction of a cycle shed for employees.
- 6 Create discount reserve of Rs. 120 on creditors.
- 7 Make a provision for bad debts of Rs. 400, and provision for bad and doubtful debt at 2% on debtors.
- 8 Provision for repairs and renewals is credited with Rs. 1803, every year.
- 9 Provide 5% depreciation on furniture through depreciation reserve fund.
- 10 Kriti is entitled to 5% commission on net profit after charging such commission.

[P.T.O]

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Q6. From the following particulars of Shri Amit Patel, Prepare Trading Account, Profit & Loss Account for the year ended on 31-03-2020 and the Balance sheet on that date.

Debit Balances		Credit Balances	
	Rs.		Rs.
Salaries	10223	Sales	66420
Bills Receivable	6377	Capital	50000
Investments	40000	Bank Debts Reserve	2500
Furniture	12000	10% Loan (01-10-2019)	10000
Stock on 1-4-2019	4500	Discount	400
Purchases	30000	Suppliers	9300
Customers	20000	Bills Payable	5000
Interest on loan	400	Outstanding Salary	500
Insurance Premium	900	Bad Debts recovered	200
Wages	4600	Interest on Investment	2000
Rent	1520		
Bad Debts	1200		
Carriage outward	600		
Cash at bank	10000		
Depreciation on furniture	2500		
Accrued Interest	1000		
Advertisement	500		
	146320		146320

Additional Information:

- (1) Stock on 31st March, 2020 was valued at Rs. 6000/-
- (2) Goods Costing Rs. 1000/- were distributed as free samples, while goods costing Rs. 500/- were taken away by the proprietor for personal use.
- (3) Customers includes Rs. 1000 due from Astha and suppliers included Rs. 2000 due to Astha.
- (4) Customers include Rs. 1000 due from Mr. Inamdar who has become insolvent and 40% realizable from his estate.
- (5) A credit sale to faithful for Rs. 2000 was not recorded in the books.
- (6) Customers included a dishonored cheque of Rs. 5000 and 20% was to be provided for non-recoverable amount.
- (7) Closing stock included goods costing Rs. 1000/- which were sold and recorded as sales but not delivered to the customers.
- (8) Maintain provision of doubtful debts at 5%.