

# DELHI PUBLIC SCHOOL JAMMU

Session 2018-2019

Class – XI

Assignment-I

Sub: Accountancy

**Topic: Bill of Exchange, Financial Statement with adjustment, Single entry system, Cash Book, Bank reconciliation, Basis Accounting Terms, Depreciation**

- Q1. Write a short note on prudence concept ?
- Q2. By providing for discount on creditors, which accounting concept is followed?
- Q3. A firm has received a large order to purchase goods. Will it be recorded in the books of account of the firm? Give reason.
- Q4. Who is creditors?

Q5. Following balance appear in the books of Rama Bros:

		Rs.
1 <sup>st</sup> April, 2015	Machinery A/c	80,000
	Provision for Depreciation A/c	36,000

On 1<sup>st</sup> April, 2015, they decision to sell a machine for Rs. 8,700. This machine was purchased for Rs. 16,000 in April, 2011. Prepare the Provision for Depreciation Account and Machinery Account on 31<sup>st</sup> March, 2016, assuming the firm has been charging Depreciation at 10%p.a. on Straight Line Method.

- Q6. Journalise the following in the books of Mohan:
- (i) Mohan's acceptance to Sohan for Rs. 20,000 renewed at 3 months together with interest @ 18% p.a.
- Q7. Sahil started his business on 1st April, 2016 with a capital of Rs. 40,000. On 31st March 2017, his assets were as under:
- Cash Rs. 5,600, Stock Rs. 5,000, Debtors Rs. 2,400 Machinery Rs. 32,000.

He owed Rs. 2,000 to his sundry creditors and Rs. 3,000 to his brother on that date. He withdrew Rs. 200 p.m for his private expenses. Ascertain his profit

- Q8. From the following particulars, ascertain the bank balance as per cash book as on 30th April. 2018
- (i) Credit Balance as per Book Rs. 45,000
- (ii) Cheques amounted to Rs. 7,500 were deposited into bank but only cheques of Rs. 5,700 were cleared and credited by the bank upto 30th April, 2018.
- (iii) Two cheques of Rs. 2,700 and Rs. 4,500 were issued but only one cheque of Rs. 2,700 was presented for payment upto 30th April. 2018.
- (iv) Rs. 1,500 have been credited by bank for interest on securities.
- (v) Rs. 600 insurance premium paid by bank under standing order.

(vi) Bank charges Rs. 150

Q9. Enter the following transactions in two-column cash book with cash and bank columns:

2018	Rs.
Oct. 1 Cash Balance	1,000
Bank Balance	5,000
Oct. 5 Deposited into the bank	1,000
Oct. 8 Rent paid by cheque	250
Oct. 10 Withdrawn from Bank for office use	400
Oct. 12 Drawings made by proprietor	100
Oct. 14 Received cheque form Pawan for Rs. 700	
Deposited in bank	700
Oct. 20 pawan's cheque dishonoured	
Oct. 30 Deposited into Bank, balance of cash in excess of Rs. 250	

Q10. A commenced business on 1<sup>st</sup> April, 2017 with a capital of Rs. 10,000. He immediately bought Furniture and Fixtures for Rs. 2,000. On 1<sup>st</sup> October, 2017, he borrowed Rs. 5,000 from his wife @ 9% p.a. (interest not yet paid) and introduced a further capital of his own amounting to Rs. 1,500. A drew @ 300 per month at the end of each month for household expenses. On 31<sup>st</sup> March, 2018 his position was as follows:

Cash in Hand Rs. 2,800; Sundry Debtors Rs. 4,800; Stock Rs. 6,800; Bills Receivable Rs. 1,600 ; Sundry Creditors Rs. 500 and owing for Rent Rs 150. Furniture and Fixture to be depreciated by 10% Ascertain the profit or loss made by A during 2017-18.

Q11. From the following particulars, find out corrected bank balance as per Cash Book and thereafter prepare a Bank Reconciliation Statement as on 31<sup>st</sup> March, 2018 of a sole proprietor.

	Rs.
(i) Bank overdraft as per the Cash Books	80,000
(ii) Cheques deposited as per the bank statement but not entered in the Cash Book	3,000
(iii) Cheques recorded for collection but not sent to the bank	10,000
(iv) Credit side of bank column casted short.	1,000
(v) Bank charges recorded twice in the Cash Book	100

(vi) Customer's cheque returned as per the Bank Statement	4,000
(vii) Cheques issued but dishonoured on technical grounds	3,000
(viii) Bills collected by bank directly	20,000
(ix) Cheque received entered twice in the Cash Book	5,000

- Q12. On 1<sup>st</sup> January, 2018, Mr. X sold goods to Mr. Y for Rs. 45,000 plus CGST and SGST @ 9% each on credit. Mr. Y paid the amount of GST immediately in cash. Mr. X drew 3 bills on him: first bill for Rs. 10,000 for 1 month, second bill for Rs. 15,000 for 2 months and third bill for Rs. 20,000 for 3 months. Mr. Y accepted and returned all the bills to Mr. X.

The first bill was retained by Mr. X till the date of maturity. The second bill was endorsed to his creditor Mr. Z on 3<sup>rd</sup> January, 2018 and third bill was sent to bank for collection on 4<sup>th</sup> January, 2018. On maturity all the bills were dishonoured and noting charges amounted to Rs. 1,000; Rs. 1,500 and Rs. 2,000 respectively.

Pass the Journal entries in the books of X, Y and Z.

- Q13. On 1<sup>st</sup> April, 2015, Amit Kumar purchased five machines for Rs. 60,000 each. Depreciation @ 10% p.a. on initial cost has been charged from the Profit and Loss Account and credited to Provision for Depreciation Account.

On 1<sup>st</sup> April, 2016, one machine was sold for Rs. 50,000 and on 1<sup>st</sup> April, 2017 another machine was sold for Rs. 50,000. An improved model costing Rs. 1,00,000 was purchased on 1<sup>st</sup> October, 2016. IGST was paid @ 12%. Amit Kumar closes his books on 31<sup>st</sup> March each year.

You are required to show: (i) Machinery Account ; (ii) Machinery Disposal Account and (iii) Provision for Depreciation Account for the period of three accounting years ended 31<sup>st</sup> March, 2018.

- Q14. 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
- vi. Charge one-fourth of salaries and wages to the trading account

Q15. C maintains his books according to Single Entry System. Following figures were available from the books for the six months ended 31<sup>st</sup> December, 2017:

	1 <sup>st</sup> July, 2017 (Rs)	31 <sup>st</sup> December, 2017 (Rs)
Plant and Machinery	1,50,000	1,40,000
Debtors	65,000	60,000
Cash and Bank balances	25,000	31,000
Stock	40,000	45,000
Creditors	9,000	10,000

**Adjustments:**

- a. He had withdrawn Rs. 200 in the beginning of every month for household purposes.
- b. Depreciation on Plant and Machinery @ 10% p.a.
- c. Further Bad Debts Rs. 5,000 and Provision for Doubtful Debts to be created @ 2%.
- d. During the period, salaries have been prepaid by Rs. 500 while wages outstanding were Rs. 1,000.
- e. Interest on drawings to be reckoned @ 6% p.a.

You are required to prepare the Statement of Profit or Loss for the half year ended 31<sup>st</sup> December, 2017, followed by Revised Statement of Affairs as on that date.