

ગુજરાત રાજ્યના શિક્ષણવિભાગના પત્ર-ક્રમાંક
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SELF-LEARNING BOOK

ELEMENTS OF ACCOUNTS

(Part 1)

Standard 11



PLEDGE

India is my country.

All Indians are my brothers and sisters.

I love my country and I am proud of its rich and varied heritage.

I shall always strive to be worthy of it.

I shall respect my parents, teachers and all my elders and treat everyone with courtesy.

I pledge my devotion to my country and its people.

My happiness lies in their well-being and prosperity.

Price : ₹ 33.00



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PREFACE

In accordance with the new national syllabi of the N.C.E.R.T., New Delhi, Gujarat Secondary and Higher Secondary Education Board, Gandhinagar has prepared the syllabi for different subjects for the students of Gujarat studying in standards 9 to 12, which are approved by the Government of Gujarat. The textbooks based on the new syllabi are prepared by Gujarat State Board of School Textbooks. Accordingly, the new textbooks, for standars 9 and 11 from June 2016, for standards 10 and 12 from June 2017 and published and implemented in all the secondary and higher secondary schools of the state.

In order to help the students reinforce the content of the syllabi through self-learning and comprehend it thoroughly the Secondary and Higher Secondary Education Board, Gandhinagar, Suggested to publish self-learning books for six major subjects of standard 11. (i) Elements of Accounts (ii) Statistics (iii) Organisation of Commerce and Management (iv) Economics (v) Gujarati (First Language) (vi) English (Second Language). In the light of this resolution Gujarat State Board of School Textbooks, Gandhinagar, prepared the manuscripts of the self-learning books for the said six subjects; inviting eminent experts, textbook writers, method masters from B.Ed. Colleges and Secondary and Higher Secondary Teachers teaching the concerned subjects. It is a matter of great pleasure for the Board to publish these self-learning books for the students of standard 11. Exercises of the self-learning books are prepared considering the objectives of knowledge, comprehension, use and skills.

The question-paper format of each of the said subjects prepared by Secondary and Higher Secondary Education Board, Gandhinagar, had also been kept in mind while preparing the manuscripts of the self-learning books. Hence the exercises given in these books will be very useful to the students in the preparation for the public examination.

Each self-learning book is prepared keeping in view the syllabus and textbook of the subject concerned. If the students study the textbooks thoroughly and do the exercises given in the textbooks under their teachers' guidance and thereafter do the exercises given in the self-learning books on their own, they will gain confidence that they have mastered the main subjects and are thoroughly prepared for the public examination. The students may take help of their subject teacher whenever necessary and the teachers are expected to guide them individually as well as collectively.

The Board is thankful to all the experts who have extened their services in the preparation of the self-learning books.

The Board has taken enough care to make these self-learning books interesting, useful and error-free. However, suggestion from academicians, parents, teacher and students are welcome.

P. Bharathi (IAS)

Director

Date : 6-8-2019

Executive President

Gandhinagar

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FUNDAMENTAL DUTIES

It shall be the duty of every citizen of India :*

- (a) to abide by the Constitution and respect its ideals and institutions, the National Flag and the National Anthem;
- (b) to cherish and follow the noble ideals which inspired our national struggle for freedom;
- (c) to uphold and protect the sovereignty, unity and integrity of India;
- (d) to defend the country and render national service when called upon to do so;
- (e) to promote harmony and the spirit of common brotherhood amongst all the people of India transcending religious, linguistic and regional or sectional diversities; to renounce practices derogatory to the dignity of women;
- (f) to value and preserve the rich heritage or our composite culture;
- (g) to protect and improve the natural environment including forests, lakes, rivers and wild life, and to have compassion for living creatures;
- (h) to develop the scientific temper, humanism and the spirit of inquiry and reform;
- (i) to safeguard public property and to abjure violence;
- (j) to strive towards excellence in all spheres of individual and collective activity so that the nation constantly rises to higher levels of endeavour and achievement;
- (k) who is a parent or guardian to provide opportunities for education to his child or, as the case may be, ward between the age of six and fourteen years.

*Constitution of India : Section 51-A

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About Self-Learning Book...

It is novel experiment to study through Exercise Book. This new approach by the Gujarat State Board of School Textbook will prove to be advantageous to the students. Eklavya is the best example of self-study which must have been known to everyone. He adopted the mode of self-study to learn archery. Eklavya proved to be more talented than Arjuna, the son of Pandava. History is witness to the fact that students can achieve the highest degree of excellence through Self-Study.

A student can attain excellence under the guidance of a teacher and in the accompaniment of Exercises for Self-Learning. Having read the whole lesson with concentration the student starts writing all the questions of the Exercises for Self-Learning. It is beginning of the self-study. The Exercises for Self-Learning leads to development of mental and intellectual ability of the student. He develops the insight to attempt even a complicated question. There is an increase in his courage, faith and self-confidence and is never afraid of a question paper. He develops a habit of preparing for the ensuing examination.

There is an end to all difficulties as the student practises attempting the questions of the Exercises for Self-Learning in the presence of the teacher in the class-room. The reason is that the student gets constant guidance from the teacher. The self-confidence to study is doubled. Alongwith that all the skills related to study like grasping, analysis, co-ordination etc. improve to a great extent. In the developed Nation the experiment of self-learning through assignment book has proved to be most profitable. For the geographical school environment this ambitious experiment would be very congenial where a genius, brilliant, mediocre, ordinary student will have an opportunity to make progress at a proper a pace.

The questions, in the Assignment Book have been framed keeping four objectives in mind i.e. Knowledge, understanding, usage and skill. If a student of XI standard undertake practice of this Exercises for Self-Learning with love and intense desire to obtain knowledge and at the

same time to reveal the dormant qualities than all his difficulties in learning will not come in his way. If one attempt these assignments with self-confidence, than he/she can attain decent knowledge of the subject.

Dear Students, the content of this subject can be understood through assignments. Many of the aspects of this subject are being studied at 11th standard. Hence the acquired knowledge will be strengthened with the use of Exercises for Self-Learning. Moreover, the terminology selected to this subject principles, examples, figures and graphs as well as images will be more clear and the pleasure for assignment will be increased beyond doubt.

With self-efforts and independent attempts, one shall climb higher staircase of the success. All have deep faith in your latent talents and skill.

We welcome yours suggestions regarding the Exercises for Self-Learning.

– Authors

Accounting and Its Terminology

Section A

Select the correct option for each question from the given options :

1. Which of the following asset is non-current asset? []
 (a) Debenture discount (b) Frenchise
 (c) Bills receivables (d) Debtors
2. Which is not recorded in the books of account? []
 (a) Discount received (b) Cash discount (c) Discount allowed (d) Trade discount
3. What is bad debt for business? []
 (a) Loss (b) Income (c) Expense (d) Profit
4. What is bad debt return for business? []
 (a) Expense (b) Asset (c) Creditors (d) Income
5. What is the duration of current liability? []
 (a) More than 5 years (b) More than 1 year
 (c) Less than 1 year (d) More than 10 years
6. Of which assets goodwill is illustration? []
 (a) Tangible asset (b) Current asset (c) Liquid asset (d) Intangible asset
7. Expenses which are incurred regularly by the business are []
 (a) Capital expenses (b) Spread expenses
 (c) Revenue expenses (d) Spread revenue expenses
8. How many types of accounting are categorised? []
 (a) Two (b) Four (c) Five (d) Three
9. Which type of expense is the purchase of plant machinery? []
 (a) Revenue expense (b) Deferred expense
 (c) Capital expense (d) Deferred revenue expense
10. The establishment year of the Institute of Chartered Accountants of India in India is []
 (a) 1994 (b) 1949 (c) 1947 (d) 1974
11. When owner of business brings cash, goods or asset in the business, it is called as []
 (a) Drawings (b) Debtor (c) Capital (d) Creditor
12. When from assets, cash or goods is withdrawn by owner of business from the business it is called []
 (a) Capital (b) Payable (c) Receivable (d) Drawings

13. Which type of assets is land and buildings? []
 (a) Intangible asset (b) Tangible asset (c) Current asset (d) Liquid asset
14. Which type of income is income raised from sale of asset? []
 (a) Capital income (b) Deferred revenue income
 (c) Revenue income (d) Deferred capital income
15. When a person has more assets than liabilities he/she is known as []
 (a) Insolvent (b) Solvent (c) Creditor (d) Payable
16. When a person has more liabilities than assets he/she is known as []
 (a) Insolvent (b) Solvent (c) Creditor (d) Payable
17. What is the nature of depreciation as expense of business? []
 (a) Cash expense (b) Non-cash expense
 (c) Capital expense (d) Spread capital expense
18. Which type of liability is, when owner provides capital to the business? []
 (a) External liability (b) Bills payable (c) Creditors of goods (d) Internal liability
19. Amount payable to third party on account of credit purchase of goods is known as []
 (a) Debtors (b) Internal liability (c) Bills receivable (d) External liability
20. What is the duration of long term / non-current liability? []
 (a) Less than 1 year (b) 1 day (c) More than 1 year (d) 10 days
21. Which type of assets are goodwill, patent, copy right and trademark? []
 (a) Tangible assets (b) Intangible assets (c) Current assets (d) Liquid assets
22. Which type of discount is cash discount which is arised at the time of cash purchase of goods? []
 (a) Discount allowed (b) Commission (c) Discount received (d) Brokerage
23. Cash discount which is arised at the time of cash sale of goods is []
 (a) Brokerage (b) Discount allowed (c) Commission (d) Discount received
24. Accounts are being written on the basis of certain principles and rules, hence it is []
 (a) Sculpture (b) Music (c) Science (d) Art
25. A skill which is required for preparation and presentation of account within the boundries of accounting is known as []
 (a) Science (b) Entertainment (c) Music (d) Art

Section B

Answer the following questions in one sentence each :

1. What is stock?

2. What is income?

3. What is internal liability of business?

4. What is external liability of business?

5. What is debtor?

6. What is discount allowed?

7. Which form of currency is used as a medium of money in present time?

8. Who was Luca Pacioli?

9. Give full form of AICPA.

10. Give full form of ASC.

11. What is quantitative information?

12. Give full form of SEBI.

13. Give full form of IRDA.

14. What is capital?

15. What is event?

16. What are non-current assets?

17. What are receipts?

18. What are payments?

19. What is revenue?

20. What are capital expenses?

21. What are revenue expenses?

22. What is purchase?

23. What is sales?

24. What is cost?

25. What are liabilities?

26. What is depreciation?

27. State methods of preparation of accounts.

28. Which bases are used under double entry system for preparation of accounts?

29. State stages for preparation of accounts.

30. Which type of assets are expenses on issue of share or debenture, debenture discount, preliminary expenses?

31. What is loss?

Section C

Explain the following terminologies :

1. (a) Business transaction

(b) Liability

(c) Current liability

2. (a) Current assets

(b) Liquid assets

(c) Tangible assets

3. (a) Intangible assets

(b) Real assets

(c) Discount

4. (a) Trade discount

(b) Cash discount

(c) Discount allowed

5. (a) Discount received

(b) Bad debts

(c) Profit

6. (a) Expense

(b) Creditors

(c) Debtors

7. (a) Bills payable

(b) Goods

(c) Cost

8. (a) Solvent

(b) Drawings

(c) Insolvent



Dual Effect of Transactions and Types of Accounts

Section A

Select the correct option for each question from the given options :

1. The foundation of accounting is []
(a) Voucher (b) Books (c) Rough Note (d) Trial balance
2. Which transactions are not recorded in the books of accounts? []
(a) Special (b) Cash (c) Economic (d) Non-economic
3. 'Wages are paid ₹ 100', what is the nature of this transaction? []
(a) Cash transaction for goods (b) Cash transaction for service
(c) Cash transaction for asset (d) Credit transaction of service
4. Which transaction creates relationship of creditor and debtor? []
(a) Cash (b) Special (c) Non-economic (d) Credit
5. Under which transactions of business, third party is not required? []
(a) Internal (b) External (c) Credit (d) Cash
6. Which transactions of business, can not be measured in terms of money? []
(a) Economic (b) Non-economic (c) Credit (d) Special
7. How many sides are categorised for accounts in ledger? []
(a) Eight (b) Five (c) Two (d) Four
8. Which of the following account is legal artificial person account? []
(a) Salary Account (b) Stationery
(c) Building (d) Shriji Traders
9. Which of the following transaction is special transaction of business? []
(a) Goods purchased of ₹ 5000 (b) Rent paid to Aakash ₹ 100
(c) Goods of ₹ 600 were stolen (d) Electricity bill paid ₹ 1200
10. Which of the following transaction is external transaction of business? []
(a) Salary paid ₹ 1200 to clerk Ramesh. (b) Depreciation charged on building ₹ 600.
(c) Patents written off ₹ 950. (d) Goods destroyed by fire ₹ 100.
11. Credit transaction always includes one account of []
(a) goods (b) personal (c) asset (d) service

12. How many minimum effects are given under double entry system for each transaction? []
 (a) Five (b) Two (c) Four (d) Ten
13. Written document of business transaction is []
 (a) journal entry (b) books (c) voucher (d) rough book
14. What is the type of 'income tax account' of owner of sole proprietor firm? []
 (a) Personal (b) Real (c) Income-expenditure (d) Other
15. A transaction through which cash or bank balance affected is []
 (a) Credit transaction (b) Special transaction
 (c) Cash transaction (d) Contra entry transaction

Section B

Answer the following questions in one sentence each :

1. What is business transaction?

2. Define economic transaction.

3. Give two illustrations of non-economic transaction.

4. What is voucher?

5. What is main feature of business economic transaction?

6. What is cash transaction? Give one illustration.

7. Accounting settlement of which kind of transaction is done in the future?

8. Which two accounts are included in impersonal accounts?

9. Which two entities are included in personal accounts?

10. Give two illustrations of internal transactions of business.

11. Give the name of account for the rule 'Debit what comes in, credit what goes out.'

12. What will be the type of transaction; when there is reference of cash or bank?

13. What is the type of debtor account?

14. Which two accounts are included in real account?

15. Describe debit credit rule of nominal account.

16. Give one illustration for transaction of account settlement.

17. State types of economic transactions.

18. Give four illustrations of legal artificial person.

Section C

Make classification of account type for the following :

- | | |
|-----------------------------------|--------------------------------|
| 1. Stationery expense account | Brokerage received account |
| Franchise account | Mumbai University account |
| Jagdishbhai's account | Excell Company's share account |
| Calico Mill's account | Factory building account |
| Rent received account | Wages account |
| Prepaid insurance premium account | Repairing expense account |

- | | |
|--------------------------|-----------------------------|
| 2. Wages account | Dead stock account |
| Laptop account | Loan interest account |
| Purchase return account | Gujarat University account |
| Furniture account | Interest on capital account |
| Stationery stock account | Fuel expense account |
| Bharatibahen's account | Shah & Sons account |

3. Sales return account
Stationery stock account
Office expense account
Computer account
Vashram & Sons account
Brokerage account
- Opening stock account
Royalty account
Bharat University account
Bajaj Company share account
Trade mark account
Electricity account
-
-
-
-
-
-
-

4. Drawings account
Donation account
Land account
Salary account
Furniture account
Stationery account
- Copyright account
Union bank account
Nirma Co. Account
Carriage inward account
Factory expense account
Depreciation account
-
-
-
-
-
-
-

5. Interest received account
Dividend received account
Goodwill account
Bills receivable account
Stock account
Purchase account
- Bhavnagar Branch account
Rotary club account
Bad debts return account
Outstanding rent account
Building account
Income tax account
-
-
-
-
-
-
-

- | | | |
|----|--------------------------------|--------------------------------|
| 6. | M. J. Commerce College account | United Insurance Co. account |
| | Sales account | Tata & Sons account |
| | Carriage outward account | Insurance premium paid account |
| | Ramilabahren's account | Brokerage paid account |
| | Outstanding salary account | Gopal farsan mart account |
| | Motor car account | Trade mark account |

- | | | |
|----|------------------------------------|--------------------------------|
| 7. | B. M. Commerce High School Account | Bank overdraft account |
| | Cash account | Petty cash account |
| | Bills receivable account | Dead stock account |
| | Anil & Bros. Account | State Bank of India's account |
| | Royalty account | Loan borrowed account |
| | Dividend received account | Telephone deposit account |
| | Machinery account | Sudhabahren's account |
| | Carriage inward account | Railway freight account |
| | Wages account | Life insurance premium account |
| | Bad debts account | Patel Bros. Account |
| | Bills payable account | Tolai account |

Section D

1. State double effects of the following transactions :

(1) Business commenced with cash introduction of ₹ 50,000.

(2) ₹ 5000 deposited with bank to open bank account.

(3) Goods purchased from Jayesh of ₹ 3000.

(4) Goods of ₹ 10,000 sold on credit to Geeta.

(5) Machine of ₹ 15,000 purchased from Jay Trading Co.

(6) Electricity bill of business ₹ 300 paid by cheque.

(7) Cheque issued of ₹ 1000 to Yashoda.

(8) Cash ₹ 3500 received from Ghanshyam.

(9) Insurance premium ₹ 1200 paid by cheque.

(10) Goods of ₹ 600 is returned by Jayesh.

2. State double effects of the following transactions :

(1) Goods of ₹ 3000 is withdrawn for personal use.

(2) Bank loan is obtained of ₹ 1,00,000.

(3) Furniture of ₹ 10,000 purchased by cheque.

(4) Cash deposited ₹ 5000 for telephone deposit.

(5) Dividend of ₹ 1200 is received on share of XYZ Co.

(6) Goods of ₹ 200 destroyed by fire.

(7) Goods of ₹ 250 received back from Agam.

(8) Goods of ₹ 1500 donated to orphanage.

(9) A cheque of ₹ 1600 is received for dues from Ramjibhai.

(10) Building purchased for business ₹ 5,00,000.

3. From the following transactions, identify account which are to be debited and credited :

(1) Goods of ₹ 2000 sold to Rajshri.

(2) Cash of ₹ 3000 is received from Alpa.

(3) Goods of ₹ 30,000 sold to Aparna against which cheque is received.

(4) Cash purchase of vehicle ₹ 50,000 for business.

(5) Old furniture sold to Rajesh for ₹ 3000.

(6) Share of XYZ Co. purchased for ₹ 8500 and cheque issued for it.

(7) Wages paid in cash ₹ 150.

(8) Carriage inward paid in cash ₹ 300.

(9) Commission received in cash ₹ 100.

(10) Rent received ₹ 1500 by cheque.



Introduction to Goods and Service Tax

Section A

Select the correct option for each question from the given option :

1. Taxes included in GST of Central and State Governments are []
 (a) Indirect taxes (b) Direct taxes
 (c) Direct and indirect taxes (d) Indirect and direct taxes
2. Which of the following was indirect tax of state governments? []
 (a) Custom duty (b) Excise duty (c) Value added tax (d) Service tax
3. Which of the following is not indirect tax of central government? []
 (a) Custom duty (b) Excise duty (c) Service tax (d) Purchase tax
4. Implementation year of goods and service tax is []
 (a) 2016 (b) 2017 (c) 2015 (d) 2014
5. Which of the following is correct for supply within the state/union territory? []
 (a) CGST + SGST/UTGST (b) IGST + SGST/UTGST
 (c) CGST + IGST (d) IGST – SGST/UTGST
6. For supply outside state/union territory applicable GST is []
 (a) CGST (b) IGST (c) SGST (d) UTGST

Section B

Answer the following questions in one sentence each :

1. Which types of various indirect taxes are collected in India by the government to meet economic needs of the nation?

2. Which items are taxable under GST regime?

3. Which terminology is used for purchase-sale of goods or services or both?

4. What is intra state supply transaction?

5. Which GSTs are applicable for transaction of intra state supply?

6. What is inter state supply transaction?

7. Which GSTs are applicable for transaction of inter state supply?

8. Under which transaction of supply, GST is equally distributed?

9. When is inward supply GST applicable?

10. When is outward supply GST applicable?

11. What is input tax credit?

12. Which types of needs are considered to determine GST tax rates?

13. What are rates of GST?

Section C

Answer the following questions in brief :

1. Explain any two special features of GST.

2. Explain any two benefits of GST.



Journal

Section A

Select the correct option for each question from the given options :

1. Which is fundamental or basic book of accounting? []
(a) Ledger (b) Journal (c) Cashbook (d) Trial balance
2. Which account will be credited on receipt of income tax refund? []
(a) Drawings (b) Income tax (c) Bank (d) Capital
3. Which account will be credited when goods stolen, of ₹ 300, received back during police investigation? []
(a) Goods returned account (b) Goods stolen account
(c) Purchase account (d) Loss on goods stolen account
4. Goods of ₹ 1000 is received as free sample. What is the nature of transaction? []
(a) Debit (b) Cash (c) Economic (d) Non-economic
5. is expense of business. []
(a) Dividend (b) Bad debt return (c) Bad debt (d) Salary
6. Which account will be debited when ₹ 200 are paid by cheque for shares purchase of Ghaghrat Limited? []
(a) Share investment account (b) Bank account
(c) Brokerage account (d) Cash account
7. Bank has credited ₹ 100 to our bank account. Which is correct for journal entry? []
(a) Debited to interest account (b) Debited to bank account
(c) Credit to bank account (d) No entry will be passed
8. What amount will be debited to purchase account, if goods of ₹ 10,000 purchased at 10 % trade discount and at 5 % cash discount from Rishita? []
(a) ₹ 9000 (b) ₹ 8550 (c) ₹ 10,000 (d) ₹ 9500
9. Which amount will be recorded to sales account, if goods of ₹ 1000 purchased at 10 % trade discount and at 5 % cash discount, out of which half goods sold to Ankita to earn 10 % profit on selling price? []
(a) ₹ 11,000 (b) ₹ 495 (c) ₹ 9900 (d) ₹ 500
10. Which account will be credited when life insurance premium of ₹ 500 is paid by cheque? []
(a) Drawings (b) Life insurance premium
(c) Bank (d) Cash

11. Which balance and what effect would take place when interest on bank balance is occurred? []
 (a) Increase in cash balance (b) Decrease in cash balance
 (c) Decrease in bank balance (d) Increase in bank balance
12. Goods of ₹ 6000 purchased from Shreya on cash at 10 % trade discount and 5 % cash discount. How much amount of discount will be recorded in the journal entry? []
 (a) ₹ 300 (b) ₹ 270 (c) zero (d) ₹ 600
13. Goods of ₹ 5000 purchased from Keval at 10 % trade discount and at 5 % cash discount where 50 % amount paid by cheque. What amount will be credited to bank account? []
 (a) ₹ 250 (b) ₹ 500 (c) ₹ 112.50 (d) ₹ 2137.50
14. Life insurance premium is debited to []
 (a) Capital account (b) Drawings account
 (c) Life insurance premium account (d) Cash account
15. On account of purchase of furniture, which account will be debited for inward and installation expense? []
 (a) Installation expense (b) Furniture account
 (c) Purchase account (d) Cash account

Section B

Answer the following questions in one sentence :

1. What is narration?

2. What is joint entry?

3. State the types of discount.

4. What are bank charges?

5. Why cash discount is allowed?

6. Which discount is not recorded in the books of account?

7. Which discount is available from cash transaction?

8. What is allowance?

9. What is the use of rough book.

10. Which account will be debited when goods is given in donation on Shradh of mother? Why ?

11. Which transaction is cause of emergence of bad debts?

12. Which account will be debited, when goods sold are returned back?

13. Write two transactions where purchase account is credited in journal book.

14. Which account will be debited when wages paid for installation of machinery purchased?
Why ?

15. Write two transactions where 'Drawings' account is debited in journal book.

(1) From the following transactions of Shri R. K. Traders, write journal book.

2018

- Jan. 1 Business commenced by introducing cash of ₹ 10,000, building ₹ 20,000 and debtors of ₹ 5000.
- 5 Goods purchased of ₹ 10,000.
- 7 Goods sold for ₹ 5000.

(2) From the following transactions write journal in the books of Keval.

2018

- Feb. 1 Goods of ₹ 15,000 purchased from Bhagat at 10 % trade discount.
- 12 Goods of ₹ 8000 sold to Magan at 10 % trade discount.
- 13 ₹ 1000 paid for salary to clerk Ghanshyam.

(3) Write journal entry in the books of Satish, from the following transactions.

2018

March 1 Business commenced by introducing cash ₹ 60,000 and loan of Avani ₹ 40,000.

7 Life insurance premium ₹ 2000 paid by cheque.

9 Interest received from Shailesh ₹ 500.

(4) Write journal entries in the books of Shailesh for the following transactions.

2018

April 1 Machine purchased ₹ 50,000 and installation expense ₹ 5000 paid in cash.

7 Goods of ₹ 2000 distributed as sample.

15 ₹ 4000 was receivable from Ved. He becomes insolvent and 50 % amount is received by cheque as final settlement.

(5) From the following transactions of Mansukh, write journal entries.

2018

May 7 Goods of ₹ 8000 destroyed by fire. Insurance company admitted claim of 80 % amount.

11 Insurance company has issued cheque of insurance claim.

22 ₹ 500 realised from sale of goods destroyed by fire.

(6) From the following transactions of Rajkot Oil Depo, write journal entries.

2018

June 1 Goods of ₹ 1000 given for Railway relief fund.

8 Furniture of ₹ 4000 purchased and against which goods given of ₹ 3500.

10 Goods of ₹ 400 withdrawn for personal use.

(7) From the following transactions of Jay Ambe Tools, write journal entries.

2018

- July 1 Paid by cheque : Life insurance premium ₹ 1000 and for fire insurance ₹ 1500.
- 8 Bank has sanctioned bank overdraft of ₹ 40,000.
- 15 Purchased 2000 shares of Nirma Ltd. at ₹ 10 per share and brokerage paid at ₹ 1 per share, payment made by cheque.
- 20 Cheque received from Mahesh of ₹ 1900 after deducting 5 % cash discount.

(1) From the following transactions write journal entries in the books of Arvind.

2018

- Jan. 1 Goods of ₹ 6000 purchased from Jeel.
- 7 Goods of ₹ 20,000 sold to Himani.
- 17 Goods of ₹ 1000 returned by Himani.
- 25 Goods sold of ₹ 5000.

(2) From the following transactions, write journal entries in the books of Rakesh Traders.
2018

Feb. 5 Goods of ₹ 10,000 purchased at 10 % trade discount from Aryan.

11 50 % goods purchased from Aryan sold to Panna to earn 10 % profit on selling price.

18 Goods of ₹ 1500 returned by Panna, which is returned to Aryan.

(3) From the following transactions, write journal entries in the books of 'V' Mart.

2018

March 1 Machinery purchased ₹ 90,000 payment made by cheque and ₹ 10,000 paid in cash for its installation.

9 Old furniture of ₹ 7000 sold to Vimlesh for ₹ 10,000.

25 Weighing machine and weights are purchased for shop of ₹ 4500.

30 Two chairs purchased for business, each of ₹ 1500.

(4) Write journal entries, from the following transactions of Avdhut Kirans.

2018

- May 1 Goods of ₹ 50,000 purchased at 20 % trade discount and at 10 % cash discount from Shravan.
- 20 Goods purchased from Shravan out of which 25 % goods of cost price sold to Yash by adding 25 %.
- 25 Yash had returned goods of ₹ 5000, which are returned back to Shravan.

(5) From the following transactions write journal entries in the books of Gopi Traders.

2018

June 1 Loan borrowed from Apexa ₹ 35,000.

8 Bank had debited ₹ 150 of bank charges and credited ₹ 250 of interest.

12 Janvi becomes insolvent from whom ₹ 10,000 was receivable out of which 40 % amount received as final settlement by cheque.

18 Goods of ₹ 60,000 purchased from Chetan and 50 % amount paid by NEFT. NEFT charge was ₹ 5.

(6) From the following transactions write journal entries in the books of Jeel.

2018

- July 1 Goods of ₹ 5000 purchased at 10 % trade discount and at 5 % cash discount from Fenil. Payment done by cheque.
- 6 Goods of ₹ 300 given in donation on occasion of Shradh of mother.
- 11 Goods destroyed by fire ₹ 10,000. Insurance company has admitted claim of 70 % amount and the amount credited in our account through NEFT.
- 17 Goods of ₹ 20,000 sold to Rahul at 10 % trade discount and 5 % cash discount. Half amount received by cheque.

(7) Write journal entries in the books of Parul for the following transactions.

2018

Dec. 1 ₹ 40,000 deposited with bank.

6 ₹ 5000 for office expense and ₹ 3000 for personal use withdrawn from bank.

12 Loan of ₹ 7000 approved for clerk Varsha.

15 Machine of ₹ 50,000 purchased by cheque from Bharat Company Ltd. and paid wages of ₹ 1000 for its installation.

18 Purchase files of ₹ 200 and books of ₹ 300 for shop.

Section D

(1) From the following transactions write journal entries in the books of Pujan.

2018

- February 1 Goods purchased of ₹ 35,000.
4 Goods purchased of ₹ 15,000 from Prachi.
8 Goods sold of ₹ 12,000 to Jeenal.
12 Goods sold of ₹ 10,000.
15 Goods of ₹ 1000 returned by Jeenal.
19 Goods of ₹ 1500 returned to Prachi.
22 Rent paid ₹ 1000.
25 Commission received ₹ 700.

(2) From the following transactions write journal entries in the books of Satish.

2018

- January 1 The business owner Satish has commenced business by introducing cash of ₹ 80,000, machinery of ₹ 20,000, debtors of ₹ 20,000, creditors of ₹ 10,000 and with loan of Raj ₹ 40,000.
- 4 Due to need of business additional fund is obtained ₹ 30,000 as a loan from friend Avi.
- 6 Goods worth ₹ 20,000 purchased at 10 % trade discount and at 5 % cash discount from Kanan. Half amount paid by cheque.
- 8 Goods purchased from Kanan, out of which half goods sold to Nitya so as to earn 10 % profit on selling price.
- 15 Goods of ₹ 6000 was returned by Nitya which is immediately returned to Kanan.

(3) Bhavna Patel has commenced business with a name of 'Patel Stores', write journal entries from business transactions.

2018

- Feb. 1 Business commenced with ₹ 60,000 cash and loan of Jay of ₹ 60,000.
7 Goods of ₹ 8000 purchased at 10 % trade discount and at 5 % cash discount.
10 Withdrawn goods of ₹ 400 and cash of ₹ 600 for personal use.
17 Salary paid ₹ 1500 to clerk Vijay.
21 Shop rent ₹ 1200 and house rent of ₹ 800 paid by cash.
25 Goods of ₹ 1100 is distributed as sample.

(4) Write journal entries for following transactions in the books of Ashish.

2018

- March 1 Personal old furniture of ₹ 15,000 is sold for ₹ 12,000 out of which ₹ 10,000 invested in business.
- 5 Received ₹ 2000 for income tax refund.
- 7 Goods of ₹ 4000 destroyed by fire. Insurance company admitted claim of ₹ 3000. On sales of goods destroyed by fire ₹ 400 is realised.
- 12 Life insurance premium of ₹ 800 and fire insurance premium of ₹ 700 paid by cheque.
- 17 Stationery purchased ₹ 350.
- 20 Bad debts of ₹ 2200 was earlier written off, out of which ₹ 1000 received.

(5) Write journal entries for the following transactions in the books of Rakesh Traders :
2018

- April 1 Goods of ₹ 30,000 purchased at 10 % trade discount from Bhavik.
3 Goods purchased from Bhavik, sold to Gagan after adding 25 % profit.
7 Goods of ₹ 15,000 was returned by Gagan, same was returned to Bhavik.
15 Shares of BHEL company are purchased for ₹ 18,000. Payment made by cheque including brokerage of 2 %.
25 ₹ 1515 was to be collected from Kirit. He paid cheque of ₹ 1500 as a final settlement.

(6) Write journal entries in the books of Ashwin for the following transactions.

2018

- May 1 ₹ 5000 for business and ₹ 2000 for personal use are withdrawn from bank.
4 Picnic fees of son, paid from business ₹ 1700.
10 Goods of ₹ 4500 sold to Magan to earn 10 % profit on selling price.
15 Goods of ₹ 700 ruined to rain, sold for ₹ 200.
20 ₹ 5000 of salary and ₹ 1000 of wages are paid.
25 Goods of ₹ 6000 sold to Honey at 10 % trade discount and 10 % cash discount.
30 Goods of ₹ 700 is received as sample.

(7) From the following information write journal entries in the books of Jagdishbhai of Junagarh.

The following GST rates are applicable to the business transactions of Shri Jagdishbhai. GST amount is not included in following transactions.

Particulars of GST	On goods	On services
Central Goods and Service Tax : CGST	6 %	2.5 %
State Goods and Service Tax : SGST	6 %	2.5 %
Integrated Goods and Service Tax : IGST	12 %	5.0 %

2019

- June 1 Goods of ₹ 80,000 purchased at 10 % trade discount from Nareshbhai of Nadiad.
- 5 Goods of ₹ 1,00,000 sold at 10 % trade discount to Bakulbhai of Bengaluru (Karnataka).
- 9 $\frac{1}{5}$ th goods is returned to Nareshbhai. The proportionate amount of GST received back.
- 15 $\frac{1}{6}$ th goods is received back from Bakulbhai. The proportionate amount of GST is allowed.
- 22 A machine of ₹ 60,000 purchased from Rameshwar stores of Rajkot, amount paid by cheque.
- 30 Telephone bill paid ₹ 8000 by cheque.

(8) Write journal entries for the following transactions in the books of Hasmukhbhai of Vadodara.

The following GST rates are applicable to the business transactions of Hasmukhbhai. The amount of GST is not included in following transactions.

Particulars of GST	On goods	On services
Central Goods and Service Tax : CGST	6 %	2.5 %
State Goods and Service Tax : SGST	6 %	2.5 %
Integrated Goods and Service Tax : IGST	12 %	5.0 %

2019

- August 1 Goods of ₹ 40,000 purchased at 10 % trade discount from Jyotindrabhai of Jamnagar. Payment made by cheque.
- 3 Goods of ₹ 60,000 purchased at 5 % cash discount from Manindersingh of Bhatinda (Punjab).
- 6 Goods of ₹ 90,000 sold at 10 % trade discount to Navinchandra of Navsari.
- 8 Brokerage paid ₹ 9000.
- 10 A machine of ₹ 1,00,000 purchased from 'Morden Machine Co.' of Bhuj.
- 15 Goods of ₹ 15,000 returned to Manindersingh the proportionate credit of GST is received back.
- 18 Goods of ₹ 30,000 sold at 10 % trade discount to Devendra Kapoor of Delhi, against which cheque is received.
- 20 Goods of ₹ 30,000 returned by Navinchandra and proportionate credit of GST allowed him.

(9) From the following transactions perpare journal of Pranav Patel of Rajkot.

The following GST rates are applicable to the business transactions of Shri Pranavbhai. The amount of GST is not included in following transactions.

Particulars of GST	On goods	On services
Central Goods and Service Tax : CGST	6 %	2.5 %
State Goods and Service Tax : SGST	6 %	2.5 %
Integrated Goods and Service Tax : IGST	12 %	5.0 %

2018

- Dec. 1 Goods of ₹ 10,000 purchased at 10 % trade discount from Manubhai of Bhavnagar, amount paid by cheque.
- 3 Goods of ₹ 20,000 purchased at 10 % trade discount from Prakashchandra of Puna (Maharashtra).
- 5 Goods of ₹ 30,000 sold at 10 % trade discount to Arvindbhai of Ahmedabad.
- 8 Goods of ₹ 25,000 sold at 10 % trade discount to Kamleshbhai of Kochi (Kerala), against which cheque is received.
- 15 $\frac{1}{4}$ th goods returned to Prakashchandra and proportionate GST credit is received.
- 20 $\frac{1}{3}$ rd goods returned by Arvindbhai and proportionate GST credit is allowed.
- 25 A cupboard for office is purchased from Shivam Furniture Mart of Amreli ₹ 10,000.
- 28 Rent paid ₹ 4000.



Accounting Equation and Business Transactions

Section A

Select the correct option for each question from the given options :

1. The nature of equation of capital - liabilities and assets means []
(a) Capital = Assets + Liability (b) Liability = Assets + Capital
(c) Receivables = Assets + Capital (d) Assets = Capital + Liability
2. Presenting accounts in equation form is []
(a) British system (b) Italian system (c) American system (d) Japanese system
3. Under equation system which transactions are not pertaining to goods? []
(a) Purchase of material (b) Sale of goods
(c) Sales return (d) Commission received
4. When cash is withdrawn by the owner from business, then []
(a) Decrease in capital – Increase in liability
(b) Decrease in capital – Increase in asset
(c) Decrease in capital – Decrease in asset
(d) Increase in one asset and decrease in other asset
5. When goods is purchased on cash []
(a) Increase in one asset and decrease in other asset.
(b) Increase in asset – Decrease in liability
(c) Decrease in asset – Decrease in liability
(d) Decrease in capital – Increase in asset
6. When sales is made on cash []
(a) Increase in one asset and decrease in other asset
(b) Increase in asset – Decrease in liability
(c) Increase in asset – Increase in liability
(d) Decrease in capital – Increase in asset
7. When sales returned happens []
(a) Increase in one liability and decrease in other liability
(b) Increase in one asset and decrease in other asset
(c) Increase in liability – Decrease in asset
(d) Decrease in capital – Increase in liability
8. When purchase returned happens []
(a) Increase in one liability and decrease in other liability
(b) Increase in one asset and decrease in other asset
(c) Decrease in asset – Increase in liability
(d) Decrease in asset – Decrease in liability

9. Which accounting treatment will be given for income received in advance under equation method?

10. Which accounting treatment will be given for expense paid in advance under equation method?

11. Which accounting treatment will be given under equation method for bank charges debited by the bank?

12. Write accounting equation.

Section C

Write journal entry for each transaction and explain its accounting treatment of individual transaction as per equation method :

1. Introduced additional capital of ₹ 1,00,000.
2. ₹ 40,000 deposited with bank.
3. Advertisement expense paid in cash ₹ 3000.
4. Wages paid in advance ₹ 2000.
5. Salary outstanding ₹ 5000.
6. Commission received by cheque ₹ 6000.
7. Rent receivable ₹ 2500.
8. Interest received in advance ₹ 1500.
9. Goods of ₹ 2500 purchased on credit from Ramesh.
10. Goods of ₹ 10,000 purchased on cash from Naresh.
11. Goods of ₹ 40,000 sold on credit to Ram for ₹ 60,000.
12. Goods of ₹ 20,000 sold on cash to Laxman for ₹ 35,000.
13. ₹ 1500 of dividend credited by bank.
14. ₹ 1000 of bank charges debited by bank.

15. Goods of ₹ 1000 destroyed by fire.
16. Goods of ₹ 1500 were stolen, insurance has paid ₹ 1200.
17. Furniture of ₹ 20,000 purchased on cash.
18. Goods of ₹ 2000 returned back to Ramesh.
19. ₹ 6500 withdrawn from bank.
20. Accounts are settled with Ramesh.
21. Accounts are settled with Ram.



Subsidiary Books

Section A

Select the correct option for each question from the given options :

1. In which subsidiary book, will credit sales be recorded? []
 (a) Purchase book (b) Cash book (c) Sales book (d) Credit note
2. In which subsidiary book, will credit purchase of assets be recorded? []
 (a) Cash book (b) Purchase book (c) Sales book (d) Journal proper
3. In which subsidiary book will be cash purchase of assets be recorded? []
 (a) Purchase book (b) Cash book (c) Journal proper (d) Sales book
4. Which voucher will be prepared by traders at the time of sales goods returned? []
 (a) Debit note (b) Credit note (c) Bills receivable (d) Bills payable
5. Goods of ₹ 50,000 sold to Sanjay at 10 % trade discount and 5 % cash discount. Half of the amount immediately received by cheque. Which amount will be recorded in sales book? []
 (a) ₹ 22,500 (b) ₹ 45,000 (c) ₹ 21,375 (d) ₹ 42,750
6. Which transactions are recorded in goods return credit note? []
 (a) Goods purchased on credit (b) Goods sold on credit
 (c) Credit purchase returns (d) Credit sales returns
7. What is the other name of sales book? []
 (a) Debit book (b) Credit book
 (c) Goods return debit book (d) Goods return credit book
8. Which voucher will be prepared, when goods purchased on credit are returned due to goods not as per sample? []
 (a) Credit note (b) Debit note (c) Promisory note (d) Bills receivable
9. From the following, which voucher will be recorded in cashbook? []
 (a) Debit note (b) Credit note (c) Credit memo (d) Cash memo
10. Goods of ₹ 15,000 purchased from Chinubhai at 5 % cash discount. Which amount will be recorded in purchase book? []
 (a) ₹ 14,250 (b) ₹ 15,000 (c) ₹ 7500 (d) ₹ 13,500

Section B

Give the answer in one sentence of following questions :

1. Give the meaning of subsidiary book.

2. State the types of subsidiary book.

3. State the types of goods subsidiary books.

4. State the types of sales book.

5. State the alternate name of sales return book.

6. Which transactions are recorded in purchase book?

7. State two advantages of subsidiary book.

8. Who writes a debit note and on whom?

9. State any two reasons to write a debit note.

10. Which transactions are recorded in bills receivable note?

Section C

1. From the following transactions, prepare purchase book of Ronak Stores.

2018

- Nov. 4 Purchased goods of ₹ 20,000 from Kinjal at 10 % trade discount. Invoice no. 117.
8 Purchased goods of ₹ 8000 from Zara at 10 % cash discount. Invoice no. 220.
15 Furniture of ₹ 5000 purchased from Kiya furniture mart.
20 Goods of ₹ 12,000 sold by Sunil to us at 10 % trade discount. Invoice no. 76.

2. From the following transactions, prepare purchase book in the books of Mukesh.

2018

- Dec. 1 Purchased goods of ₹ 8000 from Meet at 10 % trade discount and 5 % cash discount. Bill No. 251.
8 Goods purchased of ₹ 40,000 from Shreya at 10 % trade discount and 4 % cash discount. Half of the amount paid by cheque. Invoice no. 95
15 Goods purchased of ₹ 2000 at 5 % cash discount. Cash memo no. 119.
20 Goods purchased of ₹ 18,000 from Meena at 10 % cash discount. Invoice no. 301.

3. Record the following transactions in the sales book of R. C. Stores.

2018

- May 5 Sold goods of ₹ 15,000 to Ved at 10 % trade discount on 1 month credit and bill no. 290 sent with this.
- 11 Sold goods of ₹ 6000 to Bhagat at 10 % trade discount and sent bill no. 291 with railway freight of ₹ 200.
- 15 Sold goods of ₹ 3000 to Magan on cash. Cash memo no. 292.
- 18 Sold goods of ₹ 20,000 to Keval at 5 % trade discount. Bill no. 293.

4. From the following transactions, prepare sales books in the books of Kalpesh.

2018

- Oct. 3 Goods sold of ₹ 10,000 to Vinod at 10 % trade discount and 5 % cash discount. Half of the amount received by cheque. Invoice no. 83.
- 7 Goods sold of ₹ 5000. Cash memo no. 84.
- 12 Goods sold of ₹ 4000 to Batuk at 10 % cash discount. Invoice no. 85.
- 18 Goods sold of ₹ 12,000 to Bharat at 5 % trade discount. Sent bill no. 86 with wages of ₹ 300.

5. From the following transactions, prepare columnar purchase book in the books of Shri Nidhi Electronics Stores. Shri Nidhi Electronics Stores deals with TV, Geyser and Oven.

2018

- Nov. 1 Purchased 8 TV set at ₹ 25,000 for each set, 5 Geyser at ₹ 2000 per piece and 10 oven at ₹ 5000 per piece from Shivangi Electronics Stores. Credit period 1 month. Invoice no. 111.
- 9 Purchased 2 TV set of ₹ 40,000 for each set from Anjali Electronics Stores. Invoice no. 85.
- 15 Purchased furniture of ₹ 5000 from Vadagam Furniture Mart.
- 22 Purchased 3 TV set of ₹ 32,000 for each set and 5 oven piece at ₹ 2100 per piece from Dhyani Electronics Stores. Invoice no. 113.
- 25 Placed an order to Gopi Electronics Stores for supplying 10 pieces TV at ₹ 27,000 per piece.

6. From the following transactions, prepare purchase book with expenses columns in the books of Naiya Stores. They maintain separate column to record expenses like GST, railway freight and wages. Prepare purchase book on the basis of total rate of GST at 12 %. GST is not included in the amount of following transactions. Prepare purchase book by adding applicable amount of GST.

2019

- May 1 Purchased goods of ₹ 40,000 from Anchal stores of Vijaynagar at 10 % trade discount and 5 % cash discount. Received invoice with wages ₹ 1500 and railway freight ₹ 1000. Invoice no. 85.
- 7 Purchased goods of ₹ 80,000 from Apexa of Chotila at 5 % trade discount and 2 % cash discount. Bill received with wages of ₹ 300 and railway freight ₹ 400 and amount paid immediately by cheque.

- 15 Purchased goods of 20,000 from Dhvani Stores of Patana (Bihar) at 10 % trade discount 3 % cash discount. Bill no. 170 received with ₹ 500 for wages and ₹ 700 for railway freight. Half of the amount paid immediately.
- 25 Purchased goods of ₹ 15,000 from Divya of Gandhinagar at 10 % trade discount. Invoice no. 99 is received. It shows ₹ 300 for railway freight.

7. From the following transactions, prepare columnar sales book in the books of Shri Durgesh Electronics stores :

2018

- Dec. 1 Sold to Laukik Electronics Stores 10 AC at ₹ 30,000 per piece, 6 cooler at ₹ 6000 per piece and 100 fans at ₹ 1400. Trade discount at 10 %, credit period 2 months. Invoice no. 151.
- 12 Sold to Aanand Electronics 8 AC at ₹ 28,000 per piece and 15 fans at ₹ 1300 per piece. Trade discount at the rate of 10 %, credit period 1 month. Invoice no. 152.
- 15 10 cooler sold to Sangharsh Electronics at ₹ 6500 per piece on cash. Cash memo no. 153.
- 18 Sold to Krishna Enterprise to 10 cooler at ₹ 6200 per piece and 15 fans at ₹ 1400 per piece, at 5 % trade discount. Credit period for 1 month. Invoice no. 154.
- 20 Sold old furniture of shop at ₹ 8000 to Khyati.

- 8. From the following transactions, prepare sales book with expenses columns in the books of Vrunda Stores. They maintain separate columns to record different expenses like GST, railway freight, wages. Prepare sales book on the basis of total rate of GST at 18 %. GST is not included in the amount of following transactions. Prepare sales books by adding applicable amount of GST.**

2019

- June 1 Goods sold of ₹ 20,000 to Unnati Traders of Ahmedabad at 10 % trade discount and 5 % cash discount. Bill sent with, wages ₹ 500 and railway freight ₹ 400. Invoice no. 205.
- 5 Goods sold of ₹ 30,000 to Aashish of Ludhiyana (Punjab) at 5 % trade discount and 2 % cash discount. Invoice no. 206 sent with ₹ 400 for wages. Half of the amount received by cheque.
- 12 Goods sold of ₹ 10,000 to Jhanvi of Amirgadh at 10 % trade discount. Invoice no. 207 sent.
- 15 Dhruvi of Vapi place an order for the supply of goods of ₹ 30,000 at 10 % trade discount and 5 % cash discount.
- 18 Supplied goods to Dhruvi as per her order. In the invoice, railway freight of ₹ 800 is included. Invoice no. 208.
- 22 Old cooler sold to Aayush of Anjar at ₹ 8000 on cash.

Section D

(6 Marks)

- 1. Prepare purchase book, sales book and goods returns book in the books of Visnagar Stores from the following transactions :**

2018

- June 1 Purchased goods of ₹ 15,000 from Janki Stores at 10 % trade discount. Bill no. 84.
7 Purchased goods of ₹ 8000 from Devaki Stores at 5 % cash discount. Bill no. 61.
10 Sold goods of ₹ 4000 to Khushi Stores at 5 % trade discount and 3 % cash discount. Bill no. 55.
15 Khushi Stores returned goods of ₹ 700. Sent credit note no. 27.
21 Goods of ₹ 2000 returned to Janki Stores and sent debit note no. 111 with goods.
25 Purchased goods of 22,000 from Vivek Stores at 5 % cash discount on cash.
27 Purchased machinery of ₹ 36,000 for business from Lakshit Stores.
30 Sold goods of ₹ 20,000 to Yuvraj Stores at 10 % trade discount and 5 % cash discount. Bill no. 56.

2. Record following transactions in the subsidiary books of Harshil :

2018

- March 1 Goods purchased of ₹ 20,000 from Aashish at 10 % trade discount and 5 % cash discount.
- 4 Half of the goods purchased from Aashish sold to Sanjay after adding 20 % profit on cost.
- 8 Furniture of ₹ 9000 purchased from Sardar Furniture Mart.
- 14 Goods of ₹ 6000 purchased by Sunil from us.
- 18 Ankita sold goods of ₹ 13,000 to us.
- 22 Placed an order to Jyoti for supply of goods of ₹ 3000.
- 24 Goods purchased of ₹ 2000 from Avi Stores at 3 % cash discount.
- 25 Sanjay returned goods of ₹ 2400 which was returned to Aashish.

3. Record the following transactions in purchase book, sales book, purchase returns book and sales returns book of Chetan :

2018

- Dec. 1 Goods purchased of ₹ 8000 from Jeel at 10 % trade discount and 5 % cash discount.
- 7 Goods purchased from Jeel sold to Keval after adding 20 % profit on it.
- 9 Keval returned goods of ₹ 2160 which was immediately returned to Jeel.
- 12 Goods purchased of ₹ 10,000 from Bhakti at 10 % trade discount and 3 % cash discount. Half of the amount paid immediately.
- 17 $\frac{1}{3}$ of the goods purchased from Bhakti sold to Ritu after adding 25 % profit on selling price.
- 20 Goods of ₹ 800 returned by Ritu which was returned to Bhakti.
- 22 Purchased goods of ₹ 7000 at 5 % cash discount.

4. Prepare simple purchase book, sales book and goods returns book of Kalpesh from the following transactions :

2018

- July 1 Purchased goods of ₹ 10,000 from Jay at 10 % trade discount.
3 Goods of ₹ 7000 purchased by Madhu from us.
7 50 % of the goods purchased from Jay sold to Ketan after adding 10 % profit on selling price.
10 Goods of ₹ 12,000 purchased by Dhaval from us.
15 Cash sales ₹ 12,000 and cash purchase ₹ 10,000.
20 Goods of ₹ 2000 returned by Ketan which was returned to Jay.
25 Goods of ₹ 3000 sold to us by Virat.

- 5. From the following transactions, prepare various subsidiary books with columns of expenses in the books of Shri Sharmishtha. Prepare subsidiary books on the basis of total rate of GST at 12 %. GST is not included in the amount of following transactions. Prepare subsidiary by adding applicable amount of GST.**

2018

- Feb. 1 Purchased goods of ₹ 12,000 from Bhavna Stores of Chandigarh (Haryana) at 10 % trade discount. Wages ₹ 300, railway freight ₹ 500. Invoice no. 233.
- 6 Purchased goods of ₹ 10,000 from Panna of Mehasana at 10 % trade discount and 3 % cash discount. Wages ₹ 400, railway freight ₹ 600. Invoice no. 302.
- 7 Sold goods of ₹ 20,000 to Jeel of Jetpur at 10 % trade discount. Wages ₹ 750, railway freight ₹ 1000. Invoice no. 205.
- 12 All the goods purchased from Panna sold to Himani of Srinagar after adding 10 % profit on selling price. Railway freight ₹ 700, wages ₹ 400. Invoice no. 206.
- 22 Goods of ₹ 5000 returned by Himani and proportionate amount of GST, railway freight and wages were given credit. Credit note no. 37. This goods were immediately returned to Panna. Received proportionate amount credit for GST, railway freight and wages. Debit note no. 6.
- 28 Purchased machinery of ₹ 50,000 for the business from Navjivan Engineering of Palanpur. Half of the amount paid by cheque.

6. Record the following transactions in columnar subsidiary books of Bharat Furniture Mart of Ahmedabad :

2018

- April 1 Purchased 40 chairs at ₹ 300 per piece and 5 Sofa sets at ₹ 5000 per set at 10 % trade discount from Ritu Furniture Mart. Inward invoice no. 111.
- 7 Purchased 20 chairs at ₹ 250 per piece at 10 % trade discount from Prashant Furniture Mart. Inward invoice no. 31.
- 10 Sold 10 chairs and 4 set of Sofa at ₹ 400 and ₹ 6000 per piece respectively to Vrunda Furniture Mart. Half of the amount received in cash. Outward invoice no. 145.
- 17 2 pieces of chairs and 1 set of sofa returned by Vrunda Furniture Mart.
- 21 5 pieces of chairs and 2 sets of sofa returned to Ritu Furniture Mart.
- 25 Sold 2 pieces of sofa at ₹ 6500 per piece to Bharat Furniture Mart of Vadodara.
- 30 1 piece of sofa returned by Bharat Furniture Mart of Vadodara.



Cashbook and Its Types

Section A

Select correct option for each question from given options :

1. How many types of cashbook are there? []
 (a) One (b) Two (c) Three (d) Four
2. How many parties are there in a cheque? []
 (a) One (b) Two (c) Three (d) Four
3. If a transaction is recorded on both side of cashbook, what is this transaction called? []
 (a) Debit transaction (b) Cash transaction
 (c) Non-economical transaction (d) Contra transaction
4. When the cash is deposited in the bank then on which side is it recorded in the three columnar cashbook? []
 (a) Debit side (b) Credit side (c) Both the sides (d) Not recorded
5. Balance of which account is not found in three columnar cashbook? []
 (a) Cash account (b) Bank account
 (c) Cash and bank account (d) Discount account
6. Bank interest credited in the bank passbook, where is it recorded? []
 (a) Debit side of cashbook (b) Both the sides of cashbook
 (c) Credit side of cashbook (d) No entry
7. How much minimum amount to be remitted / required to get the benefit of RTGS service as per the present norms? []
 (a) ₹ 1,00,000 (b) ₹ 2,00,000 (c) ₹ 3,00,000 (d) ₹ 4,00,000
8. A card is issued by the bank to an individual / a firm to withdraw the amount or to make payment from the available balance called card. []
 (a) Aadhar (b) PAN (c) Debit (d) Credit
9. Why petty cashbook is to be prepared? []
 (a) To record bank transactions (b) To record goods transactions
 (c) To record sundry incomes (d) To record sundry expenses
10. Which recorded transaction in the cashbook do not have posting? []
 (a) Goods transaction (b) Contra transaction
 (c) Exchange transaction (d) Assets transactions

Section B

Answer the following questions in short :

1. Which purpose is served by cashbook?

2. By which name debit side of cashbook and credit side of cashbook is known?

3. State the types of two columnar cashbook.

4. What is similar to the format of cashbook?

5. Which balance always have cash account in cashbook?

6. Opening balance of bank overdraft is recorded on which side in the cashbook?

7. Which type of discount is recorded in the discount column of cashbook?

8. From the view point of business how would you treat bank overdraft interest?

9. Give two examples of contra transaction.

10. How many types of cheques are there? Mention them.

11. What is meant by cheque endorsement?

12. Which types of quick service is provided by the bank for fund transfer?

13. What is credit card?

14. What is bank book?

15. How many types of petty cashbook are there? Mention them.

Section E

1. Prepare cashbook from the following transactions of Mohanlal.

2018

- June 1 Opening cash balance ₹ 12,000.
- 3 ₹ 10,000 brought in the business by Mohanlal, as more funds are required in the business.
- 5 Cash purchase ₹ 6000, cash sales ₹ 7000.
- 8 Paid ₹ 2000 for salary and ₹ 3000 for shop rent.
- 12 Received commission ₹ 2000 from Keval.
- 16 Goods of ₹ 8000 purchased from Manav for cash.
- 20 Goods of ₹ 11,000 sold to Madhav for cash.
- 24 ₹ 4000 paid to Nilesh for goods purchased in the previous month.
- 27 Nirav paid ₹ 5000 for goods sold to him in the previous month.
- 30 Machine of ₹ 6000 purchased for business.

2. From the following transactions, prepare cash and discount columnar cashbook of Jayesh Patel.

2018

- April 1 Opening cash balance ₹ 15,000.
4 Goods of ₹ 6000 sold at 10 % cash discount.
7 Goods of ₹ 5000 purchased at 10 % trade discount.
10 Cash of ₹ 2000 paid to Aanand in full settlement of his account of ₹ 2050.
15 Furniture of ₹ 7000 purchased from Radhe Furniture Mart.
18 Received ₹ 3000 from Krishna in full settlement of account against our receivables ₹ 3030.
22 Goods of ₹ 8000 purchased at 10 % trade discount and 5 % cash discount.
25 Goods of ₹ 6000 sold at 10 % trade discount and 5 % cash discount.
28 Commission of ₹ 1200 and interest of ₹ 2000 are received.
30 Stationery expense of ₹ 800 and wages of ₹ 1500 are paid.

3. From the following transactions, prepare cash and bank columnar cashbook of Maulik Mehta.

2018

- March 1 Opening cash balance ₹ 25,000 and opening bank balance ₹ 6000.
- 5 Goods of ₹ 8000 sold to Milan at 5 % trade discount, Milan issued cheque for the necessary amount, which is immediately deposited in the bank.
- 7 Salary ₹ 3000 paid by cash and insurance premium ₹ 4000 paid by cheque.
- 11 ₹ 2500 withdrawn from the bank for office expense.
- 15 Goods of ₹ 5000 sold to Mitesh at 10 % trade discount. Mitesh has paid the necessary amount in the ratio of 3:2 by cash and by cheque respectively.
- 21 Life insurance premium of ₹ 1800 paid by cheque.
- 24 Goods purchased of ₹ 4000 from Maulin at 10 % cash discount by cheque.
- 27 A machine of ₹ 10,000 purchased from Patel stores, for which half amount is paid by cash and it is decided that the remaining amount will be paid after one month.
- 31 ₹ 3000 deposited in the bank.

4. From the following transactions, prepare cash and bank columnar cashbook of Janak Joshi.

2018

- May 1 Opening cash balance ₹ 22,000, opening bank overdraft ₹ 4000.
- 3 Goods of ₹ 12,000 sold to Jayesh at 10 % trade discount, amount received by cheque, which is deposited in the bank.
- 8 Cheque of ₹ 7000 received from Jay, which is endorsed in favour of Vijay.
- 13 ₹ 3000 withdrawn from the bank for the payment of the electricity bill.
- 15 Goods of ₹ 6500 purchased from Vinay and the amount is immediately paid by cash.
- 17 Electricity bill paid.
- 23 Goods of ₹ 14,000 sold to Vikas. He has paid 50 % of the amount by cash and remaining amount is paid by cheque. Received cheque is deposited in the bank.
- 25 Shop rent ₹ 4000 paid by cheque and house rent ₹ 3000 paid by cash.
- 27 Bank informed us that cheque received from Vikas is dishonoured.
- 31 ₹ 2000 deposited in the bank.

5. From the following transactions, prepare bank and discount columnar cashbook of Mayank Mavani.

2018

- July 1 Opening bank overdraft ₹ 5000.
- 4 Goods of ₹ 5000 sold to Mayur at 10 % cash discount for cheque.
- 7 Cheque of ₹ 7000 is received from Milap in full settlement of his receivable of ₹ 7060, which is deposited in the bank.
- 9 ₹ 2000 withdrawn from the bank for the payment of shop expense.
- 10 Bank informed that cheque of Milap deposited by you in the bank is dishonoured.
- 14 Goods of ₹ 6000 purchased by cash.
- 17 Dividend warrant received of ₹ 1500, which is deposited in the bank.
- 21 Salary of ₹ 8000 paid by cheque.
- 25 Goods of ₹ 4000 purchaed from Manoj at 10 % cash discount by cheque.
- 27 Cheque of ₹ 4500 issued to Manish in full settlement of ₹ 4560.
- 28 Cheque of ₹ 5000 is received from Maulik in full settlement of the debt of ₹ 5050.
- 30 Bank debited ₹ 200 to our account for interest on overdraft and it is informed to us through bank advice.

6. From the following transactions, prepare three columnar cashbook of Nikhil.

2018

- January 1 Opening cash balance ₹ 8000, opening bank balance ₹ 6000.
- 3 Cash purchase ₹ 8000 and cash sale ₹ 12,000.
- 5 As more funds are required in the business, a loan of ₹ 10,000 is taken from Nihal bearing 8 % interest rate.
- 9 Goods of ₹ 5000 sold to Mehul at 10 % trade discount and 10 % cash discount for cash.
- 13 Goods of ₹ 6000 purchased from Malav at 10 % trade discount, half of the amount is immediately paid by cash.
- 17 Cheque of ₹ 3300 is issued to Bankim towards an old debt. Total debt was of ₹ 3350.
- 22 Salary of ₹ 3000 paid by cheque and shop rent of ₹ 2000 paid by cash.
- 26 Gopal has paid ₹ 2500 by cash in full settlement of the debt of ₹ 2560.
- 30 Cash of ₹ 4000 deposited in the bank.

7. From the following transactions, prepare three columnar cashbook of Harshad Mehta.
2018

- February 1 Opening cash balance of ₹ 5500 and opening bank overdraft ₹ 3000.
4 Goods of ₹ 4000 sold to Aakash at 10 % trade discount for cash.
7 Goods of ₹ 3000 purchased from Sagar at 10 % trade discount and 10 % cash discount and the amount is paid by cheque.
11 ₹ 3000 withdrawn from the bank for office expense.
15 As more funds are required in the business, personal computer of ₹ 10,000 sold for ₹ 8000 and ₹ 7500 is brought in the business.
19 Cheque of ₹ 3600 received from Gaurang after deducting 10 % cash discount towards his due.
23 ₹ 5000 withdrawn from the bank for the payment of shop expense.
27 Insurance premium of ₹ 2000 and life insurance premium of ₹ 1500 paid by cheque.
28 Bank entered / recorded ₹ 200 for interest on bank overdraft.
28 ₹ 10,000 deposited in the bank.

8. From the following transactions, prepare three columnar cashbook of Sejal Gelani.

2018

- March 1 Cash balance ₹ 30,000; bank balance ₹ 10,000.
- 5 Goods of ₹ 10,000 purchased for cash from Komal at 10 % trade discount and 5 % cash discount.
- 9 Goods of ₹ 12,000 sold to Monal. Monal paid ₹ 7000 by cash and the remaining amount is paid by cheque, which is deposited in the bank.
- 14 Salary of ₹ 5000 paid to Hiral through NEFT. Bank debited ₹ 5 for charges.
- 18 ₹ 2000 withdrawn for office expenses and ₹ 1000 withdrawn for household expenses from the bank.
- 21 Machine of ₹ 8000 purchased from Ronak Engineering by cheque.
- 23 Bank credited ₹ 2000 for dividend through NEFT.
- 25 Cheque of ₹ 5700 paid to Radhika after deducting cash discount at the rate of 5 % as final settlement towards her due.
- 26 Advertisement expense of ₹ 4000 is payable.
- 31 After keeping cash on hand of ₹ 10,000, the balance amount is deposited in the bank.

9. From the following transaction, prepare three columnar cashbook of Nilesh Nanavati.

2018

- April 1 Cash balance ₹ 22,000; bank balance ₹ 18,000.
- 5 Goods of ₹ 10,000 sold to Sandeep at 10 % cash discount. Sandeep has paid 40 % of the amount by cash and remaining amount is paid by cheque. Cheque deposited in the bank.
- 8 As more funds are required in the business, a loan of ₹ 20,000 is taken from Sudhir bearing 10 % interest rate.
- 10 Bank informed that cheque by Sandeep is dishonoured.
- 13 ₹ 5000 withdrawn from the bank for the payment of college fees of his daughter.
- 18 Goods of ₹ 15,000 purchased from Aparn at 20 % trade discount. 75 % amount paid by cheque and the balance amount is paid by cash.
- 22 Shop rent ₹ 2000 and house rent ₹ 3000 paid by cheque.
- 25 Life insurance premium of ₹ 3000 is paid by NEFT and bank debited ₹ 5 for charges.
- 30 After keeping cash on hand of ₹ 20,000, the balance amount is deposited in the bank.

10. From the following transactions, prepare three columnar cashbook of Shri Anant Amin.

2018

- May 1 Opening cash balance ₹ 12,000, bank balance of ₹ 7000.
- 3 As more funds are required in the business, a loan of ₹ 10,000 bearing 12 % rate of interest from Aakash, from which ₹ 5000 deposited in the bank.
- 6 Goods of ₹ 10,000 after adding 20 % profit sold to Anil at 5 % cash discount. Amount received by cash and by cheque in the ratio of 3:2 respectively.
- 11 Candidate premium of ₹ 3000 received by cheque, where fire insurance premium of ₹ 2000 paid by cash.
- 16 Cheque issued of ₹ 10,000 to purchase of machine from Hindustan Machinery and ₹ 500 is paid by cash for machine installation expense.
- 20 Cash of ₹ 2000 issued to Ambar in full settlement of the personal debt of ₹ 2080.
- 22 Bank recorded ₹ 50 for cheque book charges and ₹ 20 for refund charges to our account.
- 25 Received ₹ 12,000 from Bharat through NEFT towards his debt. Bharat paid NEFT charges ₹ 5.
- 31 After keeping cash on hand of ₹ 10,000, the balance amount is deposited in the bank.

11. From the following information, prepare three columnar cashbook of Himanshu Trivedi.

2018

- June 1 Cash balance ₹ 15,000; bank overdraft ₹ 8000.
- 4 Goods of ₹ 5000 purchased at 10 % cash discount and goods of ₹ 8000 sold at 10 % trade discount.
- 7 As more funds are required in the business, personal furniture of ₹ 12,000 sold for ₹ 10,000 and ₹ 8000 is brought in the business.
- 13 Cash ₹ 1800 is paid to Gopal in full settlement of account of ₹ 1840.
- 15 Goods of ₹ 8000 sold to Suraj at 5 % cash discount. Amount is received by cheque. Received cheque is deposited in the bank.
- 19 ₹ 4000 deposited in the bank.
- 21 Cheque from Suraj, which was deposited in the bank, is dishonoured.
- 24 Salary of ₹ 3000 is paid by cheque and wages of ₹ 1000 is paid by cash.
- 27 Cheque of ₹ 2000 is received for personal dividend, which is deposited in the bank account of business.
- 30 Cheque of ₹ 4500 received from Dharti after deducting 10 % cash discount towards her due.

12. From the following transactions, prepare three columnar cashbook of Jagdish Jani.

2018

- July 1 Cash balance ₹ 7050; bank balance ₹ 4750.
- 3 Goods of ₹ 8000 purchased from Jayesh at 10 % trade discount and 10 % cash discount. Half the amount is paid by cheque.
- 7 ₹ 2000 is received from Janak, which was written off as bad debts in past.
- 12 Goods of ₹ 6000 sold to Janmesh at 10 % cash discount. He has paid half of the amount by cash.
- 15 Life insurance premium of ₹ 800 and fire insurance premium of ₹ 1500, both are paid by cheque.
- 19 Cupboard of ₹ 4000 purchased from Sajavat Furniture Mart for his house.
- 22 Annual fee of ₹ 1000 paid to Traders Association.
- 25 Parvati has paid ₹ 3000 by cash towards her debt of ₹ 3050.
- 28 ₹ 3000 withdrawn from the bank for the payment of shop rent.
- 31 Bank credited bank interest of ₹ 300 in our account.
- 31 After keeping cash on hand of ₹ 5000, the balance amount is deposited in the bank.

13. From the following transactions, prepare three columnar cashbook of Amul Ambani.

2018

- August 1 Cash box balance ₹ 11,000; bank balance ₹ 6000.
- 4 Goods of ₹ 4000 sold to Arpit at 5 % trade discount and 5 % cash discount. Amount received in cash.
- 8 Goods of ₹ 6000 purchased by cheque from Ankit at 10 % trade discount and 5 % cash discount.
- 10 Purchased 200 shares of Sahajanand Ltd. of ₹ 10 per share, the amount is paid by cheque.
- 16 Commission of ₹ 1000 is received by cheque and brokerage of ₹ 500 is paid by cash.
- 20 Goods of ₹ 3000 sold to Aanand.
- 22 ₹ 5000 deposited in the bank.
- 24 Cheque of ₹ 4000 is issued to Aashish towards an old debt. Total debt was of ₹ 4100.
- 31 Bank has recorded ₹ 200 for interest on balance and ₹ 100 for bank charges.
- 31 After keeping cash on hand of ₹ 2000, the balance amount is deposited in the bank.

14. From the following transactions, prepare three columnar cashbook of Rajiv Rangani.

2018

- Sept. 1 Cash balance ₹ 52,000; bank balance ₹ 5,26,000.
- 3 Goods of ₹ 50,000 sold to Ronak at 10 % cash discount. 60 % of amount is received through NEFT and the balance amount received by cash.
- 8 Goods of ₹ 30,000 purchased from Rahul at 10 % trade discount, amount paid through NEFT. Bank debited ₹ 10 for charges.
- 12 Bank credited ₹ 5000 for dividend through NEFT.
- 15 ₹ 5000 for office expense and ₹ 3000 for household expense are withdrawn from the bank.
- 19 Goods of ₹ 2,40,000 purchased from Ranjit. Amount paid through RTGS. RTGS charge is ₹ 30.
- 24 ₹ 25,000 is received through NEFT from Ritesh against his due of ₹ 25,200 in full settlement of account. ₹ 5 paid by Ritesh for NEFT charges.
- 26 Goods of ₹ 3,10,000 sold to Ramnik. Amount received through RTGS. RTGS charges ₹ 30 paid by Ramnik.
- 30 ₹ 70,000 paid for son's medical college fees through NEFT. Bank has debited the amount including ₹ 20 for NEFT charge.
- 30 ₹ 20,000 deposited in the bank.

15. From the following transactions, prepare three columnar cashbook of Shri Sanjay Patel.

2018

- October 1 Cash balance ₹ 45,000; bank balance ₹ 1,70,000.
- 3 Goods of ₹ 40,000 sold to Vipul at 10 % trade discount and 10 % cash discount, half of the amount received through NEFT and half of the amount received by cash.
- 7 Bank has paid the vehicle loan installment of ₹ 10,000 through NEFT. Bank debited ₹ 5 for charges.
- 10 Life insurance premium of ₹ 4000 paid by NEFT. Bank debited ₹ 5 for charges.
- 13 Cash purchase ₹ 2,20,000, amount paid through RTGS. RTGS charge is ₹ 60.
- 17 Fire insurance premium of ₹ 12,000 paid by NEFT. ₹ 10 for NEFT charges.
- 20 Cash sales ₹ 2,70,000, amount is received through RTGS.
- 22 ₹ 10,000 by cash and ₹ 10,000 through NEFT paid to Biren for his receivables of ₹ 20,200 in full settlement of account. NEFT charge is ₹ 10.
- 25 Telephone bill of ₹ 1800 paid by NEFT. Bank debited ₹ 5 for charges.
- 30 Salary of ₹ 10,000 and shoprent of ₹ 5000 are paid.
- 30 Received ₹ 4800 for commission.

16. From the following transactions, prepare bank book of Preet Patel.

2018

- June 1 Opening bank balance (Punjab National Bank - PNB) ₹ 11,000. Opening bank overdraft (Bank Of Baroda - BOB) ₹ 4000.
- 3 Goods purchased ₹ 12,000, against this a cheque of PNB of ₹ 5000 issued and for remaining amount a cheque of BOB is issued.
- 7 Goods of ₹ 8000 sold to Vimal at 10 % trade discount. Vimal issued a cheque for the necessary amount, which is deposited in the bank account of BOB.
- 10 Cheque of ₹ 5000 drawn from PNB account and deposited in BOB account.
- 14 Received a cheque of ₹ 10,000 from Bhavin in full settlement of account, which is deposited in PNB account.
- 17 Cheque of ₹ 4000 issued from BOB for salary.
- 20 ₹ 2000 withdrawn from the PNB for shop expenses and ₹ 1500 withdrawn from the BOB for household expenses.
- 24 PNB credited bank interest of ₹ 400 in the account.
- 27 BOB debited ₹ 200 for interest on bank overdraft.
- 30 PNB collected and credited ₹ 1000 in the account for dividend.

17. Shri Nikunj Kanani holds two current account in the Saurashtra Bank for his business : account no. 111 and account no. 555. From the following transactions, prepare bank book in the books of Nikunj Kanani.

2018

- July 1 Bank balance of ₹ 12,000, in the account no. 111. Bank overdraft of ₹ 8000 in the account no. 555.
- 4 Goods costing ₹ 6000, sold at 25 % profit on selling price, for which cheque is received, which is deposited in the account no. 555.
- 8 Transfer ₹ 5000 from account no. 111 to account no. 555.
- 13 Received a cross cheque of ₹ 3000 from Nihal against his debt of ₹ 3050, which is deposited in account no. 111.
- 16 Goods of ₹ 8000 purchased from Nirav at 10 % trade discount and 10 % cash discount, cheque issued from account no. 555.
- 20 Cheque of ₹ 2000 is issued from account no. 111 for life insurance premium and cheque of ₹ 1500 is issued from account no. 555 for fire insurance premium.
- 23 A customer Jinal has deposited directly ₹ 4000 in account no. 555.
- 30 Goods of ₹ 5000 purchased from Vishakha. Amount paid to him by cheques from account no. 111 and account 555 in the ratio of 2:3 respectively.

18. From the following transactions, prepare petty cashbook of Shri Madhavray.

2018

- April 1 Opening petty cash balance of ₹ 3000.
2 Amount received from the chief cashier ₹ 1000.
5 Wages of ₹ 400 and carriage of ₹ 200 are paid.
7 ₹ 250 paid for stationery expenses.
9 ₹ 300 paid for postage and postal stamps expenses.
11 Miscellaneous expenses paid ₹ 600.
12 Carriage of ₹ 100 and stationery expenses of ₹ 150 are paid.
15 ₹ 500 is given to Parag for the payment of Misc. expenses.

19. From the following transactions, prepare petty cashbook of Shri Premkumar.

2018

- May 1 Opening petty cash balance of ₹ 4000.
- 1 Amount received from the chief cashier ₹ 2000.
- 3 ₹ 200 for office file and ₹ 300 for other stationery are paid.
- 5 Carriage of ₹ 300 and wages of ₹ 200 are paid.
- 7 ₹ 200 paid for Tea and Refreshment.
- 9 ₹ 300 is paid to Vishal for salary.
- 11 Misc. expenses paid ₹ 500.
- 13 Wages of ₹ 300 and stationery expenses of ₹ 400 are paid.
- 15 ₹ 600 is given to Viral for the payment of Misc. expenses.

20. From the following transactions, prepare petty cashbook of Shri Abhinav as per petty imprest system.

2018

- June 1 Cash received from the chief cashier ₹ 5000.
2 ₹ 300 for postage expenses and ₹ 800 for printing charges of bill book are paid.
4 Carriage of ₹ 300 and wages of ₹ 200 are paid.
6 Tea and refreshment expenses of ₹ 200 and stationery expenses of ₹ 400 are paid.
8 ₹ 500 is given to Kishor as advance.
10 ₹ 400 paid for miscellaneous expenses.
12 ₹ 100 paid for postal stamps.
15 Paid ₹ 200 for carriage.

21. The following information has been obtained in respect of the petty cashbook maintained as per imprest system for the month ending on Dt. 30-6-2018. From this information pass journal entries to be prepared by the chief cashier.

Wages	₹ 600
Carriage	₹ 800
Postage expenses	₹ 300
Stationery expenses	₹ 500
Tea and refreshment expenses	₹ 200
Miscellaneous expenses	₹ 400



Journal Proper

Section A

Select the correct option for each question from the given options :

1. At the end of the year, drawings account is closed by transferring to which account? []
(a) Trading A/c debited (b) Capital A/c debited
(c) Profit-Loss A/c debited (d) Cash A/c debited
2. Where is the cash sale of furniture recorded? []
(a) In purchase book (b) In sales book (c) In cashbook (d) In journal proper
3. Where is the credit purchase of machinery recorded? []
(a) In purchase book (b) In sales book (c) In cashbook (d) In journal proper
4. Entries which are given at the end of the accounting year to close goods and incomes-expenses account is known as? []
(a) Closing entry (b) Adjustment entry
(c) Rectification of errors (d) Inter accounts transfer entry
5. After account of goods are closed, then it is transferred to which account? []
(a) Trading A/c (b) Profit-loss A/c
(c) In balance sheet (d) In cashbook
6. After account of incomes are closed, then it is transferred to which account? []
(a) Trading A/c (b) Profit-loss A/c
(c) In balance sheet (d) In capital A/c
7. Entries passed to rectify the errors committed while recording accounts are known as []
(a) Rectification of errors (b) Journal entry
(c) Subsidiary books (d) Adjustment entry
8. Entries for the rectification of errors is to be recorded in which subsidiary books? []
(a) Cashbook (b) Petty cashbook (c) Bills payable entry (d) Journal proper
9. Bad debt due to insolvency of debtor is recorded in which subsidiary book? []
(a) Purchase book (b) Sales book (c) Journal proper (d) Cashbook
10. While starting the business when assets brought by the owner then which assets from the following will not be recorded in journal proper? []
(a) Furniture (b) Cash (c) Machinery (d) Vehicles

Section B

Answer the following questions in one sentence each :

1. What is journal proper?

2. Which transactions are recorded in journal proper?

3. What is closing entry?

4. At the end of the year, accounts of expenses for goods purchase will be transfer to which account?

5. Why adjustment entry is to be passed?

6. Which account is debited when royalty paid account is closed?

7. Which account is credited when adjustment entry is recorded for outstanding salary?

8. What is inter account transfer?

9. Which account is credited when adjustment entry is recorded for closing stock at the end of the year in the business?

10. Installation charges paid ₹ 2000 on purchase of machinery for business is debited to wages account. Which accounts are to be effected to rectify this error?

Section C

1. Record the following transactions in the journal proper of Vineet Virani.

- (1) Brought cash of ₹ 20,000, furniture of ₹ 5000, goods of ₹ 10,000 and machinery ₹ 15,000 to start the business.
- (2) Brought personal debtors of ₹ 15,000 and personal creditors of ₹ 5000 in the business.
- (3) Brought personal dues from Vishal of ₹ 10,000 and personal debt to Vivek of ₹ 18,000 in the business.
- (4) Brought personal creditors of ₹ 8000 in the business.
- (5) Brought personal furniture of ₹ 7000 and personal vehicles of ₹ 15,000 in the business.

2. Record the following transactions in the journal proper of Shri Ravindra Rajpara books.

- (1) Drawings of ₹ 6000 transfer to capital account.
- (2) Vipul accepted to pay ₹ 8000 to Biren.
- (3) An amount of ₹ 6000 is receivable from Raj and ₹ 6200 is payable to Ronak. The account of Ronak was settled by Raj accepting to pay ₹ 6000.

3. Write the following transactions in the journal proper of Shri Saurav Shah.

- (1) Outstanding wages of ₹ 500.
- (2) Prepaid insurance premium of ₹ 800.
- (3) Receivable commission ₹ 1200.
- (4) Premium of candidate received in advance of ₹ 1000.
- (5) Provide depreciation of ₹ 2000 on machinery.
- (6) Closing stock of goods is ₹ 15,000.
- (7) Closing stock of stationery is ₹ 800.
- (8) ₹ 3000 due from Rahul is not possible to recovered now.

4. Pass journal entries for closing the following accounts.

- (1) Sales account ₹ 80,000
- (2) Purchase account ₹ 60,000
- (3) Wages account ₹ 5000
- (4) Purchase return account ₹ 3000
- (5) Sales return account ₹ 2000
- (6) Railway freight account ₹ 1000

5. Pass journal entries for closing the following accounts.

- (1) Salary account ₹ 8000
- (2) Dividend account ₹ 6000
- (3) Advertisement expense account ₹ 12,000
- (4) Interest received account ₹ 3000
- (5) Insurance premium account ₹ 5000
- (6) Rent received account ₹ 4000

6. Pass journal entries in the books of Shri Rohan Rangani for the following transactions in the journal proper.

- (1) ₹ 2000 received from Rahul for bad debt written off in past, which is credited to his personal account.
- (2) ₹ 4500 received from Sohan is recorded in Mohan's account.
- (3) ₹ 1200 paid for life insurance premium is debited to insurance premium account.
- (4) ₹ 6000 paid for salary to Parag is debited to his personal account.
- (5) ₹ 1000 paid for installation charges for machinery is wrongly debited to wages account.
- (6) Old furniture sold of ₹ 4000, is entered in the sales account.

7. Record the following transactions in the journal proper of Shri Tarun Talati.

- (1) Withdrew goods of ₹ 2000 by the owner from the business for the personal use.
- (2) Distributed goods of ₹ 3000 as free samples.
- (3) Gave goods of ₹ 5100 to flood relief fund.
- (4) Goods of ₹ 8000 were destroyed by fire, for which the insurance company accepted a claim of 80 % of the amount.
- (5) Purchased furniture of ₹ 4000 by giving goods of ₹ 3500.
- (6) Fan of ₹ 1800 purchased for household use by giving goods of ₹ 2000.

8. Record the following transactions in the journal proper of Shri Chandan Choksi.

- (1) Furniture purchased of ₹ 20,000 from Sajavat Furniture Mart.
- (2) Machinery valued of ₹ 20,000 sold to Chirag at ₹ 22,000.
- (3) Old furniture of office of ₹ 5000 sold for ₹ 4500.
- (4) Received goods of ₹ 1000 as free samples.
- (5) Purchased machinery of ₹ 50,000 from Sagar Machinery Stores. Half amount paid by cash.
- (6) Goods of ₹ 6000 were destroyed by fire. Insurance company accepted a claim and give a cheque of ₹ 5000.

9. Shri Mahesh Bhatt does not maintain separate subsidiary books for transactions of bill receivable, bill payable and goods return. So, record the following transactions in the journal proper of his book.

- (1) Drew a bill of ₹ 5000 on Mukesh which he accepted and returned.
- (2) Accepted a bill of ₹ 7000 drawn by Vinod and returned to him.
- (3) Goods of ₹ 2000 returned to Suresh.
- (4) Bills receivable of Mukesh endorsed to Durgesh.
- (5) Goods of ₹ 3000 returned by Ashwin to us.
- (6) Cash received of ₹ 2500 from Rajesh for bad debt recovered.

10. From the following transactions write the journal proper in the books of Shri Atul Awasthi.

- (1) Brought goods of ₹ 10,000 and machinery of ₹ 25,000 to start the business.
- (2) Cellular phone of ₹ 20,000 purchased for business from Kabir Stores.
- (3) ₹ 500 is payable to Rohit for interest.
- (4) Goods of ₹ 12,000 were stolen away from the shop, for which the insurance company accepted a claim of 75 % of the amount.
- (5) Paid ₹ 800 for bill of family doctor, which debited to sundry expense.
- (6) Rent received of ₹ 4000. Pass the entry to close the account.



Section B

Answer the following questions in one sentence each :

1. What is a ledger?

2. Which balance has cash account?

3. Which balance has bank overdraft?

4. By which name the account is known when the total of both the sides of account are equal?

5. Which balance has asset account?

6. Which balance is shown by expense account?

7. Which types of account is drawing account?

8. Which balance is shown by provident fund account?

9. Who is called king of books?

10. Balance carried forward is shown which side when account has debit balance?

Section C

- 1. In the books of Patel Traders, write journal entries, for the following transactions, draw necessary accounts in the ledger and post them accordingly.**

2018

- May 1 Cash ₹ 75,000 and furniture of ₹ 35,000 brought in business.
- 3 ₹ 50,000 is deposited in a bank.
- 4 Goods of ₹ 30,000 are purchased at 10 % trade discount from Venu Stores. For this a cheque of ₹ 12,000 is given.
- 5 Goods of ₹ 34,000 are sold to Gopal stores at 10 % trade discount. For this, Gopal Stores has paid a cash ₹ 10,600.

- 2. From the following transactions, prepare a purchase book and sales book in the books of Kohli Traders. Prepare subsidiary books on the basis of total rate of GST at 12 %. GST is not included in the amount of following transactions. Prepare subsidiary books by adding applicable amount of GST.**

2018

- April 1 Goods of ₹ 65,000 are purchased from Dhawan Traders at 10 % trade discount. Railway freight of ₹ 900. Invoice no. 501.
- 4 Purchased goods of ₹ 52,000 from Sharma stores; railway freight of ₹ 620 and wages of ₹ 300 paid by Sharma Stores. Invoice no. 502.
- 6 Sold goods of ₹ 40,000 to Bhuneshwar Traders at 10 % trade discount. Wages of ₹ 200 and railway freight of ₹ 300 are also included. Invoice no. 351.
- 8 Sold entire goods purchased from Sharma stores fo Bumrah Traders at 20 % profit on cost, on 2 month's credit. Railway freight ₹ 900 and wages of ₹ 300 are included. Invoice no. 352.

In the above all transactions, purchases and sales are in the respective state (intra state) only.

3. From the purchase book and sales book which are prepared in question no. 2, draw the necessary accounts in the ledger and post them accordingly.

4. From the following transactions of Samir, in his books write journal entries, draw the necessary accounts in the ledger and post them accordingly.

2018

- July 11 ₹ 36,200 to Pavan and ₹ 16,500 to Laher are paid against dues.
- 13 Against the receivable of ₹ 22,200 from Shital, cheque received ₹ 21,500 for full and final payment.
- 15 A computer of ₹ 28,000 is purchased from Grishma Computer. For this ₹ 8000 is paid by cheque.

5. From the following columnar sales book of Palash Fashion Shop, prepare necessary accounts in the ledger of Palash Fashion Shop.

Date	Name of Customer	Outward Invoice No.	L. F.	Types of Goods			Total Amount (₹)
				Cotton Shirts (₹)	Terrycotton Shirts (₹)	Designer Shirts (₹)	
2018 June							
5	Amees Garments A/c	201		31,000	19,000	—	50,000
8	Amar Fashion A/c	202		—	16,000	9000	25,000
	Total			31,000	35,000	9000	75,000

6. Pass necessary journal entries from the following account.

Ledger of Yogesh

Dr.

Pranav Account

Cr.

Date	Particulars	J. F.	Amount (₹)	Date	Particulars	J. F.	Amount (₹)
2018				2018			
July				July			
7	Bills payable A/c		20,000	5	Purchase A/c		36,800
	Bank A/c		16,000				
	Discount A/c		800				
16	Purchase return A/c		1500	12	Purchase A/c		22,500
18	Bank A/c		11,000				
31	Balance c/f		10,000				
			59,300				59,300

7. From the following transactions prepare a three columnar weekly cashbook in the books of Anup Provision Stores and post them in ledger.

2018

- July 1 Opening cash balance ₹ 36,000; bank balance ₹ 1,24,000.
- 3 Paid salary ₹ 12,000, electricity bill ₹ 2500 and for news paper ₹ 350 by cash.
- 5 Withdrawn ₹ 30,000 from bank for shop expenses.
- 7 Given a cheque of ₹ 14,000 to Mahavir Brothers in full settlement of the debt of ₹ 14,600.

- 8. From the following transactions, prepare subsidiary books with GST effect at the rate of 12 % in the books of Vinod Trading Co. of Vadodara and post them in the ledger. The amount of GST is not included in following transactions. Prepare subsidiary books by adding applicable amount of GST.**

2019

- January 1 Goods of 21,000 are purchased from Shamjibhai of Surat at 15 % trade discount. Transport expense of ₹ 1200.
- 3 Goods of ₹ 12,000 are purchased from Bharatbhai of Bhopal (Madhya Pradesh) at 10 % trade discount. Transport expense of ₹ 2000.
- 10 Goods of ₹ 7000 are returned to Shamjibhai of Surat. Transport expense of ₹ 600.

- 9. From the following transaction, prepare subsidiary books with GST effect at 18 % in the books of Manan Stores of Mehsana and post them in the ledger. The amount of GST is not included in following transactions. Prepare subsidiary books by adding applicable amount of GST.**

2019

- July 11 Sold goods of ₹ 32,000 to Dipakbhai of Dahod at 10 % trade discount. Railway freight of ₹ 1200 and wages of ₹ 600.
- 13 Sold goods of ₹ 28,000 to Amarsinh of Chandigarh (Punjab) at 20 % trade discount. Railway freight of ₹ 2000 and wages of ₹ 800.
- 18 Amarsinh returned goods of ₹ 10,000. Railway freight of ₹ 900 and wages of ₹ 400 are given credit.



Trial Balance

Section A

Select the correct option for each question from the given options :

1. Trial balance is mathematically correct means []
(a) total of both the sides of trial balance are equal
(b) total of both the side of trial balance are different
(c) total of debit balance is more in trial balance
(d) total of credit balance is less in trial balance
2. What is easy after the trial balance is tallied? []
(a) Journal (b) Subsidiary book (c) Final accounts (d) Ledger
3. Trial balance is like []
(a) ledger (b) statement (c) particulars (d) entry
4. Which balance have 'Building account' in trial balance? []
(a) Debit (b) Credit (c) Left (d) Right
5. Normally from which particulars trial balance is prepared? []
(a) Ledger balance (b) Journal (c) Cashbook (d) Subsidiary book
6. Which balance from the following shows credit balance in trial balance? []
(a) Drawings (b) Bad debts (c) Capital (d) Machinery
7. In how many forms can be a trial balance prepared ? []
(a) Three (b) Two (c) Four (d) Five
8. From the following, which object is main object of trial balance? []
(a) To find profit of business (b) To know business situation
(c) To find mathematical mistakes (d) To know capital situation
9. In which accounting method, trial balance is prepared? []
(a) Double entry accounting system (b) Deshi nama system
(c) Single entry accounting system (d) Cost accounting system
10. Trial balance is prepared before which stage? []
(a) Cashbook (b) Journal proper (c) Final account (d) Bank reconciliation

Section B

Answer the following questions in one sentence :

1. What is trial balance?

2. When trial balance is found to be mathematically correct?

3. When is trial balance prepared?

4. Trial balance is previous stage of which component of accounting?

5. Which two stages of accounting are linked by trial balance?

6. Which balance is shown by assets in trial balance?

7. Which balance is shown by liabilities in trial balance?

8. What is the base for preparation of trial balance?

9. Which balance is shown by expense accounts in trial balance?

10. Which balance is shown by income accounts in trial balance?

11. What is basic objective of trial balance?

12. What is suspense account? When is it used?

13. Which method is popular for preparation of trial balance?

14. How many forms are there of trial balance? Which are those?

15. How many methods are used for preparation of trial balance? Which are those?

Section D

1. From the following information prepare trial balance of Rajani Traders as at 31-3-19.

Name of Account	Amount (₹)	Name of Account	Amount (₹)
Capital	50,000	Purchase	30,000
Drawings	3500	Rent received	2000
Dividend	6500	Sale of old news papers	1500
Wages	1500	Electricity expense	3000
Purchase return	3000	Bank-loan	5000
Discount received	1000	Building	20,000
Debtors	6500	Discount allowed	1850
Salary	5150	Bills payable	2500

2. From the following information prepare trial balance of Shri Manthan as at 31-3-19.

Name of Account	Amount (₹)	Name of Account	Amount (₹)
Stationery expense	1750	General reserve	2450
Creditors	2500	Goodwill	10,200
Carriage	1350	Telephone expense	700
Repairing	5900	Outstanding wages	2000
Goods destroyed by fire	5500	Opening stock	3750
Interest received	1550	Bad debts return	3500
Royalty	3100	Rent payable	1000
Provident fund	9500	Bank balance	1250

3. From the following details prepare trial balance of Suman traders as at 31-3-2019.

Name of Account	Amount (₹)	Name of Account	Amount (₹)
Drawings	30,000	Purchase	1,25,150
Bills payable	2750	Bank of Baroda loan	30,000
Opening stock	21,200	Building	5,25,000
Bank overdraft	8250	Cash balance	8250
Insurance premium	1800	Capital	1,95,000
Rent	3500	Contribution to provident fund	3750
Goods given to donation	5000	Provident fund	35,000
Sundry expense	3850	Donation expense	6930
Sales	4,20,000	Purchase return	19,500
Bad debts reserve	5500	Goods withdrawn for personal use	10,500
Bad debts	1900	Commission	2170
Brokerage received	500	Interest received	4500
Creditors	4500	Trade expense	7500

4. The following balance are extracted from the books of Shri Anil. From them prepare trial balance as at 31-3-2019.

Name of Account	Amount (₹)	Name of Account	Amount (₹)
Capital account	50,000	Goods withdrawn for personal use	150
Purchase	22,650	Plant-Machines	24,500
Creditors	3000	Outstanding wages	200
Brokerage received	250	Advertisement expense	5000
Sales	25,000	Goods destroyed by fire	200
Purchase return	350	Royalty	1500
Goodwill	10,000	Carriage outward	350
Sales return	5500	Provident fund	3500
Stationery expense	2150	Salary	3000
Building depreciation	1500	Cash and bank balance	2500
Sundry expense	2000	Rent and taxes	2000

5. Prepare trial balance as at 31-3-19 from the following balances of Shri Jay Kishan Stores.

Name of Account	Amount (₹)	Name of Account	Amount (₹)
Opening stock	15,000	Interest on investment	2500
Sales	15,600	(Received)	
Bank commission	1000	Loss due fire	800
Bad debts return	1500	Creditors	2000
Loan to Rakesh	5000	Bills payable	2500
Discount received	1500	Debtors	3000
Demurrage	500	Goods withdrawn for personal	3500
Bank overdraft	6500	use	
		Purchase	10,000
		Weighing	300

6. The following balances are available for the year ending on 31-3-2019 from the books of Shri Samir. Prepare trial balance.

Name of Account	Amount (₹)	Name of Account	Amount (₹)
Carriage outward	1750	Motor car	25,100
Drawings	3250	Sales	15,000
Interest on bank loan	1000	Tax - Insurance	6900
Discount received	650	Furniture - Fixtures	20,100
Sales return	750	Cash on hand	3900
Capital	50,600	10 % bank loan	10,000
Purchase	11,350	Insurance premium	2150

7. From the given balances of accounts of Shri Kalpesh, prepare trial balance as at 31-3-19.

Name of Account	Amount (₹)	Name of Account	Amount (₹)
Capital	40,810	General reserve	1000
Stock of goods	4500	Debtors	2610
Purchase	12,500	Creditors	1000
Sales	17,500	Building	35,000
Goods returned debit	500	Bad debts	250
Goods returned credit	3570	Wages - salary	120
Bank balance	1230	Rent paid	100
Tax - Insurance	610	Advertisement expense	320

8. The following is trial balance of Jaydev as at 31-3-19. If any mistake exists correct it and prepare new trial balance.

Trial balance as at 31-3-19

Name of Account	Amount (₹)	Name of Account	Amount (₹)
Capital	25,000	Drawing	2500
Building	3000	Debtors	22,500
Creditors	23,000	Bills receivable	5000
Sales return	350	Purchase return	3000
Commission received	2500	Interest on bank overdraft	300
Goods destroyed by fire	300	Rent paid	2000
Bills payable	2500	Loss due to theft	350
Bank loan	10,000	Goodwill	31,000
	66,650		66,650

9. The total of trial balance of Shri Krishnakant as at 31-3-19 is not showing identical balances, ascertain mistakes and prepare revised trial balance.

Trial balance as at 31-3-19

Name of Account (Debit balance)	Account (₹)	Name of Account (Credit balance)	Account (₹)
Capital	78,200	Drawings	2000
Stock of goods	21,300	Carriage inward	540
Sales	56,000	Discount received	1050
Goods returned debit	5600	Bad debts reserve	1200
Debtors	17,000	Bad debts	500
Wages	1600	General reserve	1500
Stationery expense	1400	Goodwill	25,000
Sales-return	2300	Purchase	45,000
Commission	4700	Furniture	18,950
Interest received	390	Discount allowed	3650
	1,88,490		99,390

10. You are provided closing debit and credit balances of different accounts as at 31-3-19 of Shri Chintan. Prepare trial balance from it.

Name of Account	LF.No.	Total of Debit side (₹)	Total of Credit side (₹)
Capital A/c		—	1,55,000
Drawing A/c		12,600	—
Purchase A/c		21,890	—
Sales A/c		—	90,400
Debtor A/c (Suresh)		10,500	8500
Creditor A/c (Ramesh)		7500	11,500
Furniture A/c		36,000	—
Cash A/c		6000	—
Wages A/c		4350	—
Salary A/c		5650	—
Goods destroyed by fire A/c		—	6100
Stationery A/c		2500	—
Discount received A/c		—	4500
Purchase return A/c		—	1390
Bad debt A/c		1500	—
Building A/c		1,68,900	—



Bank Reconciliation Statement

Section A

Select the correct option for each question from the given options :

1. Bank reconciliation statement shows []
 - (a) Transactions with bank recorded in pass book.
 - (b) Transactions with bank recorded in cashbook.
 - (c) Transactions with bank, not recorded in pass book.
 - (d) Reconciliation of transactions with bank during a particular period.

2. Debit balance of bank as per cashbook means []
 - (a) bank balance (b) opening balance of bank
 - (c) Bank overdraft (d) interest debited by bank

3. Credit balance of bank as per cashbook means []
 - (a) bank balance (b) bank overdraft
 - (c) opening balance of bank (d) interest credited by bank

4. Bank balance as per pass book means []
 - (a) debit balance as per pass book
 - (b) credit balance as per pass book
 - (c) credit balance as per cashbook
 - (d) more withdrawal than amount credited with bank

5. Overdraft as per pass book means []
 - (a) debit balance as per pass book
 - (b) credit balance as per pass book
 - (c) debit balance as per cashbook
 - (d) less withdrawal than amount credited with bank

6. is necessary for preparing bank reconciliation statement. []
 - (a) Only cashbook (b) Only pass book
 - (c) Journal and ledger (d) Cashbook and pass book both

7. Pass book is prepared by []
 - (a) Bank (b) Bank and trader both
 - (c) Trader (d) Auditor

8. If bills receivable are discounted with bank is dishonored; not recorded in cashbook bank balance as per cashbook compared to pass book is []
 (a) more (b) same in pass book and cashbook
 (c) less (d) can not be decided
9. If cheques drawn but not recorded in cashbook; not presented in bank, bank balance as per cashbook compared to pass book is []
 (a) more (b) less
 (c) same as per pass book and cashbook (d) can not be decided
10. Due to, no difference arises between balance as per cashbook and pass book. []
 (a) cheque deposited but not credited in pass book
 (b) cheque drawn but not presented in bank
 (c) amount directly deposited with bank by a customer
 (d) cheque deposited, recorded properly in cashbook and pass book both.

Section B

Answer following questions in one sentence each :

1. Who prepares pass book, cashbook and bank reconciliation statement?

2. Give one illustration of transaction with bank not recorded in bank reconciliation statement.

3. By which balance the bank reconciliation statement is started?

4. If bank reconciliation statement is started with debit balance as per cashbook, what does the final balance indicate which is obtained after preparing bank reconciliation statement?

5. How will you record interest given by bank in cashbook?

6. On the basis of which rule of accounts the trader's account is prepared by the bank?

7. On the basis of which rule of accounts the trader prepares bank columns in cashbook?

8. What is bank overdraft for the business?

9. State two transactions which are recorded first in pass book and then recorded in cashbook.

10. State two transactions which are recorded first in cashbook and then recorded in pass book.

Section E

1. Prepare bank reconciliation statement of Shri Manav as on 30-6-2018.

- (1) Cheque deposited with bank but not collected ₹ 5000.
- (2) Cheque drawn but not presented ₹ 12,000.
- (3) Cheque deposited with bank and collected but not recorded in cashbook ₹ 7500.
- (4) Cheque drawn and paid by bank but not recorded in cashbook ₹ 8200.
- (5) Dividend collected by bank on behalf of Shri Manav ₹ 200, but it is not recorded in cashbook.
- (6) Insurance premium paid by bank as per instruction of Shri Manav, not recorded in cash book ₹ 6230.
- (7) Bank balance as per cashbook on 30-6-2018 was ₹ 6700.

2. Prepare bank reconciliation statement of Shri Jain as on 31-3-2018 from following particulars.

Debit balance as per bank column of cashbook was ₹ 15,000 on 31-3-2018.

Following information is available on comparing cashbook with pass book.

- (1) A cheque of ₹ 7000 was deposited with bank on 28-3-2018 but it was credited by the bank in his account on 2-4-2018.
- (2) Cheques of ₹ 12,000 were drawn on 26-3-2018, out of these; cheques of ₹ 8000 were paid by bank on 30-3-2018 and remaining cheques are not paid by bank till 31-3-2018.
- (3) ₹ 300 is credited by bank in the account of Shri Jain for bank interest but it is not recorded in cashbook.
- (4) Bank charges of ₹ 100 debited by bank in his account which is not recorded in cashbook.
- (5) ₹ 10,000 directly deposited by a trader in the bank account of Shri Jain. This information is not received by him till 31-3-2018.
- (6) Cheque deposited and collected by bank, but not recorded in cashbook ₹ 4000.

3. Prepare bank reconciliation statement of Shri Swati for the month of July.

Bank balance as per pass book on 1-7-2018 ₹ 12,500.

Bank balance as per cashbook on 31-7-2018 ₹ 7600.

(1) Details of cheques deposited with bank and credited in pass book are as under :

Amount (₹)	Date of cheque deposited with bank	Date of cheque credited in pass book
5000	25-7-2018	27-7-2018
7500	26-7-2018	28-7-2018
10,500	30-7-2018	2-8-2018
3600	31-7-2018	4-8-2018

(2) Details of cheques drawn and debited in pass book are as under :

Amount (₹)	Date of cheque drawn	Date of cheque debited in pass book
4200	24-7-2018	27-7-2018
780	27-7-2018	2-8-2018
3900	28-7-2018	31-7-2018
5200	30-7-2018	4-8-2018

(3) Electricity bill of ₹ 4830 paid by NEFT is not recorded in cashbook.

(4) ₹ 4650 is credited in pass book but not recorded in cashbook.

(5) Cash sales of ₹ 7000 is recorded in bank column of cashbook on debit side by mistake.

(6) Bank charges of ₹ 100 debited in pass book is recorded twice in cashbook.

4. Prepare bank reconciliation statement of Shri Shlok for the month of May 2018 from the following information :

Credit balance as per pass book (Dt. 1-5-2018) ₹ 720.

Debit balance as per cashbook (Dt. 31-5-2018) ₹ 1800.

- (1) Cheques of ₹ 10,000 were deposited with bank during the month of May, out of which cheques of ₹ 6000 were credited in pass book till 31-5-2018.
- (2) Cheques of ₹ 21,280 were drawn during the month of May; out of which cheques of ₹ 10,280 were presented during the month of June.
- (3) A cheque of ₹ 460 deposited with bank during May, 2018 is dishonored during the month of May. The dishonor entry is not made in cashbook.
- (4) Cheques of ₹ 12,000 were drawn, out of which a cheque of ₹ 3000 was dishonored due to difference in signature. This transaction is not recorded in cashbook.
- (5) Cash sales of ₹ 6000 is recorded in bank column of cashbook on debit side.
- (6) Total of payment side of bank column in cashbook is overcast by ₹ 1000.

5. Cashbook of Nihar shows bank balance of ₹ 3260 on 31-10-2018 where as pass book shows zero balance on the same date. Prepare bank reconciliation statement as on 31-10-2018 by taking into consideration the following transactions.

- (1) A cheque of ₹ 3400 was drawn in favour of Payal which is paid by the bank on 30-10-2018 but the same is recorded in cashbook as ₹ 340.
- (2) A cheque of ₹ 3800 drawn on 26-10-2018; which is presented and paid by bank on 31-10-2018.
- (3) A cheque of ₹ 8200 deposited with bank on 30-10-2018 which is not recorded in cashbook. The same cheque is collected by bank on 2-11-2018.
- (4) Total of debit side of pass book is overcast by ₹ 900.
- (5) Cash deposited with bank ₹ 800 is credited in cash column of cashbook.
- (6) Bank charges debited by bank ₹ 50 is recorded in bank column on debit side of cashbook.

6. Cashbook of Riyan shows overdraft of ₹ 18,000 on 30-9-2018, which does not match with the balance as per pass book. Following information is obtained by comparing pass book with cashbook.

- (1) Cheques of ₹ 26,000 were deposited with bank on 28-9-2018; out of these cheques of ₹ 15,000 are recorded in pass book till 30-9-2018.
- (2) Cheques drawn but not paid by the bank ₹ 7900.
- (3) Cheques drawn and paid by the bank but not recorded in cashbook ₹ 16,300.
- (4) Cheques deposited and collected by bank but not recorded in cashbook ₹ 17,800.
- (5) A bills receivable of ₹ 7500 sent for collection to bank of which maturity date is 4-10-2018.
- (6) Bank charges of ₹ 80 debited by bank in pass book on 15-9-2018; which is waived by the bank on request of Riyan and the same is credited by bank in pass book on 30-9-2018. The entire transaction is not recorded in cashbook.

7. Bank column of cashbook of Shri Jay shows credit balance of ₹ 12,000 on 31-7-2018. This balance was different from the balance as per pass book. Prepare bank reconciliation statement of Shri Jay as on 31-7-2018.

- (1) Discount allowed on cash sales ₹ 300 is debited in bank column of cashbook.
- (2) A bills payable of ₹ 5000 was discharged by cheque; one month before maturity at discount of ₹ 200. Full amount of ₹ 5000 is credited in cashbook.
- (3) Demat charges of ₹ 340 paid by bank as per instruction of Shri Jay, is recorded as ₹ 430 in cashbook.
- (4) Dividend of ₹ 530 is credited by the company in the bank account of Shri Jay is credited in bank column of cashbook by ₹ 350.
- (5) Cheque received and credited in pass book by bank ₹ 6000 recorded twice in cashbook.
- (6) Interest of ₹ 200 is debited in pass book by bank, which is not recorded in cashbook.

8. Prepare bank reconciliation statement of Shri Mankad as on 31-10-2018 from the following information.

- (1) Bank overdraft as per cashbook ₹ 82,000.
- (2) Cheques of ₹ 35,000 and ₹ 40,000 were issued to Shri Dalal and Shri Desai respectively during the month of October. The pass book was debited by ₹ 35,000 and ₹ 30,000 for cheques issued to Shri Dalal and Shri Desai respectively during the month of October.
- (3) Out of cheques deposited during the month of October ₹ 1,36,000; cheques of ₹ 80,000 were collected by bank on 30-10-2018; cheques of ₹ 46,000 were collected by bank on 2-11-2018 while remaining cheque of ₹ 10,000 was dishonored on 3-11-2018 due to insufficient balance in customer's account.
- (4) Insurance premium of ₹ 4000 paid by the bank is recorded as ₹ 400 in cashbook.
- (5) A cheque of ₹ 3800 deposited and collected by bank but recorded in cash column of cashbook.
- (6) Total of bank column on credit side of cashbook undercast by ₹ 900.
- (7) A bills receivable of ₹ 5000 is discounted with bank at ₹ 200 discount. Full amount of ₹ 5000 was debited in bank column of cashbook.

9. Cashbook of Shri Kishan shows bank overdraft of ₹ 17,600 on 31-10-2018.

Prepare bank reconciliation statement of Shri Kishan from the following information :

- (1) A cheque of ₹ 1620 collected by bank on behalf of Shri Kishan is credited to other customer; Shri Krishnan's account by bank by mistake.
- (2) Cash deposited with bank ₹ 3560 is recorded in cashbook as ₹ 5360.
- (3) Credit balance of ₹ 6000 on page no. 1 in pass book is recorded as debit balance on page no. 2 in pass book.
- (4) ₹ 2500 paid by bank as fees of chamber of commerce is recorded in bank column of cashbook on debit side.
- (5) A bills receivable of ₹ 40,000 sent for collection to bank is collected by bank and credited in pass book on 31-10-2018. This transaction is not known to Shri Kishan.
- (6) Interest on overdraft ₹ 200 is debited by bank is not recorded in cashbook.

10. From the information given below. Prepare bank reconciliation statement of Shri Gami as on 30-11-2018 and determine balance as per cashbook.

- (1) Credit balance as per pass book ₹ 15,800.
- (2) Cheques issued to creditors during the month of November ₹ 30,000; out of which cheques of ₹ 17,000 were presented in the bank.
- (3) Cheque of ₹ 8000 received from Raju; is deposited with bank but not recorded in cashbook. The same cheque is collected by bank on 29-11-2018.
- (4) A cheque of ₹ 3600 received from Bunty is recorded in discount column of cashbook. This cheque is not deposited with bank.
- (5) Interest on government securities is collected by bank ₹ 1700. This information is not received by Shri Gami till 30-11-2018.
- (6) Bank charges charged by bank ₹ 40 is not recorded in cashbook.
- (7) Bills payable of ₹ 12,000 maturing during December is paid through bank at ₹ 11,800. Total amount of ₹ 12,000 is recorded in cashbook.

11. Pass book of Shri Jaydeep shows bank balance of ₹ 26,300 on 31-3-2018. Prepare bank reconciliation statement for the month of March 2018 from the following information.

- (1) A cheque of ₹ 3600 deposited with bank on 30-3-2018 is dishonored.
- (2) ₹ 5000 was credited by bank in pass book on 30-3-2018 by mistake. The error is not rectified till 31-3-2018.
- (3) Investment made in shares ₹ 6000 is recorded in pass book only.
- (4) Cheque drawn and recorded in cashbook but not given to creditors ₹ 4500.
- (5) Interest allowed by bank ₹ 300 is not recorded in cashbook.
- (6) ₹ 2000 withdrawn from bank for household expenses is not recorded in cashbook.

12. Pass book of Shri Hariom shows balance of ₹ 77,620 on 31-8-2018 whereas his cashbook shows bank balance of ₹ 6800 on 1-8-2018. From the following information, prepare bank reconciliation statement for the month of August, 2018.

- (1) Loan of ₹ 56,000 repaid through RTGS is debited in cashbook by ₹ 5600.
- (2) RTGS charges ₹ 20 is debited in pass book only.
- (3) A cheque of ₹ 18,500 given by Shri Hariom to his creditor in the month of August, is presented for payment to the bank on 2-9-2018.
- (4) Total of payment side of bank column in cashbook is undercast by ₹ 9000.
- (5) A cheque of ₹ 6000 deposited with bank in the month of August, is processed for clearing in the month of August is dishonored due to insufficient balance in customer's account.
- (6) Interest on securities collected by bank ₹ 4000 is not recorded in cashbook.

13. Pass book of Simran shows credit balance of ₹ 12,000 on 28-2-2018, which does not match with bank balance as per cashbook. Prepare bank reconciliation statement of Simran from the following information available while comparing pass book with cashbook.

- (1) Interest allowed by bank ₹ 300 is not recorded in cashbook.
- (2) A cheque of ₹ 15,000 deposited with bank on 27-2-2018 is dishonored. The information for the same is received on 1-3-2018.
- (3) Cheques of ₹ 5200 were presented for payment on 28-2-2018 out of cheques issued of ₹ 7000.
- (4) Cheques of ₹ 18,000 were deposited with bank; out of which a cheque of ₹ 8000 was collected on 2-3-2018.
- (5) ₹ 9000 was deposited directly in bank account by a customer, which is not recorded in cashbook.
- (6) Bank charges of ₹ 200 are debited in pass book as well as in cashbook.

14. Pass book of Mohish shows bank overdraft of ₹ 5600 on 31-3-2018. Find out balance as per cashbook on 31-3-2018 from the following information.

(1) Information about cheques deposited with bank and credited in pass book :

Amount (₹)	Date of cheque deposited with bank	Date of cheque credited in pass book
5300	20-3-2018	22-3-2018
4200	24-3-2018	28-3-2018
3700	27-3-2018	1-4-2018
2000	31-3-2018	2-4-2018

(2) Information about cheques drawn and presented for payment in bank :

Amount (₹)	Date of cheques drawn	Date of cheque debited in pass book
7900	28-3-2018	1-4-2018
1600	30-3-2018	2-4-2018
580	31-3-2018	3-4-2018

(3) Bank charges ₹ 100 recorded by bank is recorded twice in cashbook.

(4) A cheque of ₹ 6000 received from debtor on 26-3-2018 is recorded in cash column of cashbook on debit side. The same cheque is deposited with bank on 28-3-2018 and credited in pass book on 31-3-2018.

(5) Cheques drawn and recorded in cashbook ₹ 12,300 but these cheques are not given to creditors.

(6) Cheques drawn and paid by bank but not recorded in cashbook ₹ 7400.

15. Pass book of Gita shows debit balance of ₹ 17,500 on 31-10-2018. Prepare bank reconciliation statement as on 31-10-2018 from the following information.

- (1) Dividend of ₹ 2000 is collected by bank; which is not recorded in cashbook.
- (2) A bill of ₹ 5400 was sent for collection to bank is debited in bank column of cashbook, which is not collected by bank till 31-10-2018.
- (3) Bank charges of ₹ 120 is recorded in cashbook as ₹ 12.
- (4) Cheques of ₹ 6000 were deposited with bank during the month of October, out of which a cheque of ₹ 2000 is credited in pass book on 2-11-2018.
- (5) Share application money ₹ 22,000 were debited in pass book on allotment of shares. This transaction is not recorded in cashbook.
- (6) Creditors of ₹ 10,000 given cheques after deducting 10 % discount are debited in pass book but full amount of ₹ 10,000 is credited in bank column of cashbook.

16. Pass book of Satya shows bank overdraft of ₹ 4800 on 30-11-2018. From the information given below, prepare bank reconciliation statement for the month of November, 2018 and calculate balance as per cashbook.

- (1) Cheque of ₹ 3000 drawn and recorded in cashbook on 30-11-2018 for withdrawing cash from bank for household purpose but the same cheque encashed from bank on 1-12-2018.
- (2) Cash paid for wages ₹ 500 recorded on credit side of cashbook in bank column.
- (3) Cash deposited with bank ₹ 4500 is not recorded in cashbook.
- (4) Interest on overdraft ₹ 150 recorded in pass book by bank is debited in cashbook in bank column by ₹ 15.
- (5) Cheque issued dated 1-12-2018, of ₹ 7000, recorded in cashbook on 30-11-2018 and the same cheque is given to creditors.
- (6) Bank charges of ₹ 210 debited in pass book during the month of October is reversed by bank on request of Satya and credited in pass book during the month of November, which is not recorded in cashbook.

17. Pass book of Shri Anant shows bank overdraft of ₹ 6320 on 31-12-2018. Prepare bank reconciliation statement for the month of December, 2018 from following information.

- (1) He transferred ₹ 10,000 from his savings bank account to fixed deposit account, which is debited by bank in the pass book of business.
- (2) Interest on investment credited in cashbook and pass book ₹ 300.
- (3) Dividend of ₹ 500 collected by the bank on behalf of Anant and credited in pass book, the same is not recorded in cashbook.
- (4) Insurance premium ₹ 1320 paid by the bank on behalf of Anant, which is not recorded in cashbook.
- (5) Cheque of ₹ 3000 received from Shivani is deposited with bank without recording in cashbook. The cheque is not collected by bank.
- (6) Payment side of bank column in cashbook is undercast by ₹ 360.

18. Sri Jagmal is having two accounts with State Bank of India. Account no. 440 and account no. 441. Account no. 440 is current account of business while account no. 441 is savings account which is his personal account.

On 31-8-2018, account no. 440 shows bank overdraft of ₹ 5000 as per cash book while pass book of account no. 441 shows bank balance of ₹ 22,000 on the same day.

From the following information, prepare bank reconciliation statement of account no. 440 for the month of August.

- (1) A cheque of ₹ 8000 received from a debtor was deposited in account no. 441 instead of account no. 440 by mistake. Out of these, cheques of ₹ 6000 were collected by bank and credited in account no. 441 during the month of August. Remaining cheques are not collected.
- (2) A cheque of ₹ 4300 for life insurance premium issued from account no. 441 was debited by bank in account no. 440.
- (3) Interest on his personal investment, ₹ 3000 is credited by bank in account no. 440 instead of account no. 441.
- (4) He issued cheque of ₹ 8000 from account no. 441 for repayment of his personal loan is credited in bank column of cashbook of business by mistake. The same cheque is not presented for payment till 31st August.
- (5) ₹ 70 for bank charges recovered by bank from account no. 441 is debited in bank Column of cashbook of business.
- (6) ₹ 3000 deposited directly by a customer in account no. 440 is credited by bank in account no. 441 by mistake. This transactions are not recorded in cashbook.

19. Cashbook of Shri Gupta shows debit balance of ₹ 12,000 on 31-8-2018.

- (1) Out of cheques of ₹ 40,000 drawn during the month of August, cheques of ₹ 12,000 were presented in the month of september.
- (2) Out of cheques of ₹ 78,000 deposited with bank during the month of August, cheques of ₹ 60,000 were credited in pass book by the bank by 31-8-2018.
- (3) Debit side of bank column in cashbook is overcast by ₹ 1800.
- (4) Interest credited by bank ₹ 700 is debited in cashbook by ₹ 70.
- (5) A cheque received from Pankaj ₹ 6300 is debited in cash column of cashbook. The same cheque is credited in pass book on 30-8-2018.
- (6) A demand draft of ₹ 5000 was issued by bank in favour of creditor Agrawal, which is not recorded in cashbook.

Prepare rectified cashbook from above information and prepare bank reconciliation statement as on 31-8-2018.

20. Bank column of cashbook of a Patel Traders shows credit balance ₹ 8200 on 30-9-2018. This balance differs from bank balance as per pass book. From the following information, prepare rectified cashbook and bank reconciliation statement as on 30-9-2018.

- (1) Cheque issued but not presented ₹ 3000.
- (2) Cheque directly deposited by a customer in bank account ₹ 6400.
- (3) Dividend collected by bank and credited in pass book but not recorded in cashbook ₹ 300.
- (4) Cheque paid into bank but not collected ₹ 3500.
- (5) A bills receivable of ₹ 3500 discounted with the bank is dishonored and debited by bank is pass book including dishonor charges ₹ 100, which is not recorded in cashbook.
- (6) Bank charges debited by bank ₹ 80 not recorded in cashbook.

21. From the following information, prepare bank reconciliation statement of Shri Parshvi :

Dr Cashbook (Bank column) Cr

Date	Particulars (Receipt)	₹	Date	Particulars (Payment)	₹
2018			2018		
August			August		
1	To balance b/d	13,000	3	By electricity expense A/c (Cheque issued to electricity company)	3200
4	To Nimish's A/c	7640	6	By Rahil's A/c	7800
7	To Bela's A/c	5360	7	By Param's A/c	6000
			31	By balance c/d	9000
		26,000			26,000
Sep.					
1	To balance b/d	9000			

Pass book

Date	Particulars	Debit (₹)	Credit (₹)	Balance (₹)
2018				
August				
1	Opening balance	—	13,000	13,000
5	Dividend A/c	—	600	13,600
8	Electricity company A/c	3200	—	10,400
13	Nimish's A/c	—	7640	18,040
20	Insurance premium A/c	5000	—	13,040
26	Bank interest	—	260	13,300
31	Closing balance	13,300	—	13,300
		21,500	21,500	

22. From the following information, prepare bank reconciliation statement of Anushri :

Bank Pass book

Date	Particulars	Debit (₹)	Credit (₹)	Balance (₹)
2018				
October				
1	Opening balance	—	30,000	30,000
1	Poonam's A/c	4000	—	26,000
7	Ihina's A/c	5000	—	21,000
12	Mamta's A/c	—	2700	23,700
14	Loan A/c	30,000	—	(6300)
18	Interest on overdraft A/c	200	—	(6500)
23	Cash A/c	—	5000	(1500)
31	Closing balance	—	1500	(1500)
		39,200	39,200	

Cashbook (Bank column)

Dr			Cr		
Date	Particulars (Receipt)	₹	Date	Particulars (Payment)	₹
2018			2018		
October			October		
1	To balance b/d	26,000	10	By loan A/c	3000
4	To Ihina's A/c (Cheque issued for payment of salary)	9000			
8	To Mamta's A/c	2700	31	By balance b/d	39,700
23	To cash A/c	5000			
		42,700			42,700
November					
1	To balance b/d	39,700			



Specimen Question Paper : First Test

Time : 2 hours

Total marks : 50

Instruction : (1) All questions are compulsory. (2) Use of scale and pencil is necessary.
(3) Marks of each question is indicated at proper place.

Section A

- **Following question no. 1 to 6 are multiple choice questions. Write correct answer (Each question carries one mark). (06)**

- (1) One account is always of in credit transaction. []
(a) goods (b) person (c) asset (d) service
- (2) GST includes taxes of central and state government. []
(a) indirect tax (b) direct tax
(c) direct and indirect tax (d) indirect and direct tax
- (3) ₹ 500 paid by cheque for life insurance premium. Which account will be credited? []
(a) Drawing account (b) Life insurance premium account
(c) Bank account (d) Cash account
- (4) Equation form of capital - liabilities and assets means : []
(a) Capital = Assets + Liabilities (b) Liabilities = Assets + Capital
(c) Receivables = Assets + Capital (d) Assets = Capital + Liabilities
- (5) Credit purchase of assets is recorded in which subsidiary book? []
(a) Cashbook (b) Purchase book (c) Sales book (d) Journal proper
- (6) When cash is deposited with bank, on which side of three columnar cashbook it is recorded? []
(a) Debit side (b) Credit side (c) Both side (d) Not recorded

Section B

- **Answer in one line following questions no. 7 to 12 (One mark for each question). (06)**

- (7) What is capital?
- (8) Which items are taxable under GST?
- (9) What is allowance?
- (10) Explain the meaning of subsidiary book.
- (11) What is bank book?
- (12) What is considered as king of books of accounts?

Section C

- **Answer as asked, following question no. 13 to 16 (3 marks for each question). (12)**

(13) Explain following terms :

- (a) Trade discount
- (b) Assets
- (c) Creditor

(14) Classify following accounts :

- | | |
|---------------------------|----------------------------|
| (a) Interest received A/c | (g) Bhavnagar branch A/c |
| (b) Dividend received A/c | (h) Rotary Club A/c |
| (c) Goodwill A/c | (i) Bad debt recovered A/c |
| (d) Bills receivable A/c | (j) Outstanding rent A/c |
| (e) Stock A/c | (k) Building A/c |
| (f) Purchase A/c | (l) Loan borrowed A/c |

(15) Journalise following transactions and explain equation based effect of every transaction individually.

- (1) Introduced ₹ 1,00,000 as additional capital.
- (2) Disposed with bank ₹ 40,000.
- (3) Cash paid as advertisement expenses ₹ 3000.

(16) Write following transactions in journal proper of Shri Vinit.

- (1) Commenced business with cash ₹ 20,000, furniture ₹ 5000, goods ₹ 10,000 and machinery ₹ 15,000.
- (2) Goods of ₹ 8000 destroyed by fire insurance company admitted claim at 80 % of the amount.
- (3) Old office furniture of ₹ 5000 sold for ₹ 4500.

Section D

- **Make calculation as asked for following question no. 17 to 18 (4 marks for each question). (08)**

(17) Journalise following transactions in the books of Patel Traders and post them by opening necessary accounts in the ledger.

2018

May 1 Introduced cash ₹ 75,000 and furniture of ₹ 35,000 in the business.

- 2 ₹ 50,000 deposited with bank.

(18) Prepare trial balance of Suman Traders as on 31-3-2017 from following balance :

Name of Account	Amount (₹)	Name of Account	Amount (₹)
Drawings	30,000	Purchases	1,25,150
Bills payable	2750	Loan from BOB	30,000
Opening stock	21,200	Building	5,25,000
Bank overdraft	8250	Cash balance	8250
Insurance premium	1800	Capital	1,95,000
Rent	3500	Contribution to provident fund	3750
Goods given as charity	5000	Provident fund	35,000
Miscellaneous expenses	3850	Charity expense	6930
Sales	4,20,000	Purchase return	19,500
Bad debt reserve	5500	Goods taken for personal use	10,500
Bad debt	1900	Commission	2170
Brokerage received	500	Interest received	4500
Creditors	4500	Trade expense	7500

Section E

- Answer as asked the following question no. 19 to 21 (6 marks for each question).

(18)

(19) Journalise following transactions in the books of Poojan :

2018

- Feb. 1 Commenced business with cash ₹ 60,000 and loan from Avni ₹ 40,000.
 4 Purchased goods of ₹ 35,000 at 10 % trade discount from Parag.
 8 Goods of ₹ 12,000 sold to Jeenal.
 12 Paid by cheque ₹ 1000 for life insurance premium and ₹ 1500 for fire insurance premium.
 22 Paid rent ₹ 10,000 by cheque.
 25 Commission received ₹ 700.

(20) Prepare purchase book, sales book and return books in the books of Visnagar stores from the following transactions :

2018

- June 1 Goods of ₹ 15,000 purchased from Janki stores at 10 % trade discount. Bill no. 84.
 7 Purchased goods of ₹ 8000 from Devki stores at 5 % cash discount. Bill no. 61.
 10 Goods sold to Khushi stores ₹ 4000 at 5 % trade discount and 3 % cash discount. Bill no. 55.

- 15 Goods of ₹ 700 returned by Khushi stores and sent credit note no. 27.
21 Goods of ₹ 2000 returned to Yanki stores. Sent debit note no. 111.
25 Goods of 22,000 purchased from Vivek stores for cash at 5 % cash discount.
27 Machine purchased for business from Lalit stores ₹ 36,000.
30 Goods of ₹ 20,000 sold to Yuvraj stores at 10 % trade discount and 5 % cash discount; Bill no. 56.
- (21) From the following transactions, prepare cashbook of cash and bank columns in the books of Maulik Maheta :

2018

- March 1 Opening cash balance ₹ 25,000 and opening bank balance ₹ 6000.
5 Goods of ₹ 8000 sold to Milan at 5 % trade discount. Cheque received from Milan for the due amount which is deposited with bank immediately.
7 Paid cash ₹ 3000 for salary and paid ₹ 4000 by cheque for insurance premium.
11 Cash withdrawn from bank for office use ₹ 2500.
15 Goods of ₹ 5000 sold to Mitesh at 10 % trade discount. Mitesh paid the amount in cash and by cheque in the ratio of 3:2 respectively.
21 ₹ 1800 paid by cheque for life insurance premium.
24 Goods of ₹ 4000 purchased from Maulin at 10 % cash discount by cheque.
27 Machine of ₹ 10,000 purchased from Patel stores. Half amount paid in cash and agreed to accept balance amount after one month.
31 Deposited with bank ₹ 3000.



Answers

Chapter 1 : Accounting and Its Terminology

Section A

- | | | | | |
|---------|---------|---------|---------|---------|
| 1. (b) | 2. (d) | 3. (a) | 4. (d) | 5. (c) |
| 6. (d) | 7. (c) | 8. (d) | 9. (c) | 10. (b) |
| 11. (c) | 12. (d) | 13. (b) | 14. (a) | 15. (b) |
| 16. (a) | 17. (b) | 18. (d) | 19. (d) | 20. (c) |
| 21. (b) | 22. (c) | 23. (b) | 24. (c) | 25. (d) |

Chapter 2 : Dual Effect of Transactions and Types of Accounts

Section A

- | | | | | |
|---------|---------|---------|---------|---------|
| 1. (a) | 2. (d) | 3. (b) | 4. (d) | 5. (a) |
| 6. (b) | 7. (c) | 8. (d) | 9. (c) | 10. (a) |
| 11. (b) | 12. (b) | 13. (c) | 14. (a) | 15. (c) |

Chapter 3 : Introduction to Goods and Service Tax

Section A

- | | | | | |
|--------|--------|--------|--------|--------|
| 1. (a) | 2. (c) | 3. (d) | 4. (b) | 5. (a) |
| 6. (b) | | | | |

Chapter 4 : Journal

Section A

- | | | | | |
|---------|---------|---------|---------|---------|
| 1. (b) | 2. (d) | 3. (d) | 4. (d) | 5. (d) |
| 6. (a) | 7. (b) | 8. (a) | 9. (d) | 10. (c) |
| 11. (d) | 12. (b) | 13. (d) | 14. (b) | 15. (b) |

Section C (3 Marks)

- Dt. 1 Cash A/c Dr ₹ 10,000, Building A/c Dr ₹ 20,000, Debtors A/c Dr ₹ 5000,
To Capital A/c ₹ 35,000
Dt. 5 Purchase A/c Dr ₹ 10,000, To Cash A/c ₹ 10,000
Dt. 7 Cash A/c Dr ₹ 5000, To Sales A/c ₹ 5000
- Dt. 1 Purchase A/c Dr ₹ 13,500, To Bhagat A/c ₹ 13,500
12 Magan A/c ₹ 7200, To Sales A/c ₹ 7200
13 Salary A/c Dr ₹ 1000, To Cash A/c ₹ 1000

3. Dt. 1 Cash A/c Dr ₹ 1,00,000, To Capital A/c ₹ 60,000, To Avani's loan A/c ₹ 40,000
7 Drawings A/c Dr ₹ 2000, To Bank A/c ₹ 2000
9 Cash A/c Dr ₹ 500, To Interest A/c ₹ 500
4. Dt. 1 Machinery A/c Dr ₹ 55,000, To Cash A/c ₹ 55,000
7 Advertisement expense A/c Dr ₹ 2000, To Purchase A/c ₹ 2000
15 Bank A/c Dr ₹ 2000, Bad debts A/c Dr ₹ 2000, To Ved A/c ₹ 4000
5. Dt. 1 Insurance Co. A/c Dr ₹ 6400, Loss due to fire A/c Dr ₹ 1600, To Purchase A/c ₹ 8000
11 Bank A/c Dr ₹ 6400, To Insurance Co. A/c ₹ 6400
22 Cash A/c Dr ₹ 500, To Loss due to fire A/c ₹ 500
6. Dt. 1 Donation A/c Dr ₹ 1000, To Purchase A/c ₹ 1000
8 Furniture A/c Dr ₹ 3500, To Purchase A/c ₹ 3500
10 Drawings A/c Dr ₹ 400, To Purchase A/c ₹ 400
7. Dt. 1 Drawings A/c Dr ₹ 1000, Insurance premium A/c Dr ₹ 1500, To Bank A/c ₹ 2500
8 Non-economic transaction
15 Share investment A/c Dr ₹ 22,000, To Bank A/c ₹ 22,000
20 Bank A/c Dr ₹ 1900, Discount A/c Dr ₹ 100, To Mahesh A/c ₹ 2000

Section C (4 Marks)

1. Dt. 1 Purchase A/c Dr ₹ 6000, To Jeel A/c ₹ 6000
7 Himani A/c Dr ₹ 20,000, To Sales A/c ₹ 20,000
17 Sales returned A/c Dr ₹ 1000, To Himani A/c ₹ 1000
25 Cash A/c Dr ₹ 5000, To Sales A/c ₹ 5000
2. Dt. 1 Purchase A/c Dr ₹ 9000, To Aryan A/c ₹ 9000
11 Panna A/c Dr ₹ 5000, To Sales A/c ₹ 5000
18 Sales returned A/c Dr ₹ 1500, To Panna A/c ₹ 1500
18 Aryan A/c Dr ₹ 1350, To Purchase return A/c ₹ 1350
3. Dt. 1 Machinery A/c Dr ₹ 1,00,000, To Bank A/c ₹ 90,000, To Cash A/c ₹ 10,000
9 Vimlesh A/c Dr ₹ 10,000, To Machine A/c ₹ 7000, To profit on sale of machine A/c ₹ 3000
25 Dead stock A/c Dr ₹ 4500, To Cash A/c ₹ 4500
30 Furniture A/c Dr ₹ 3000, To Cash A/c ₹ 3000
4. Dt. 1 Purchase A/c Dr ₹ 40,000, To Shravan A/c ₹ 40,000
20 Yash A/c Dr ₹ 12,500, To Sales A/c ₹ 12,500
25 Sales return A/c Dr ₹ 5000, To Yash A/c ₹ 5000
25 Shravan A/c Dr ₹ 4000, To purchase return A/c ₹ 4000
5. Dt. 1 Cash A/c Dr ₹ 35,000, To Apexa's loan A/c ₹ 35,000
8 Bank-charges A/c Dr ₹ 150, To Bank A/c ₹ 150

- 8 Bank A/c Dr ₹ 250, To Bank interest A/c ₹ 250
 12 Bank A/c Dr ₹ 4000, Bad debt A/c Dr ₹ 6000, To Janvi A/c ₹ 10,000
 18 Purchase A/c Dr ₹ 60,000, To Bank A/c ₹ 30,000, To Chetan A/c ₹ 30,000
 18 NEFT charge A/c Dr ₹ 5, To Bank A/c ₹ 5
6. Dt. 1 Purchase A/c Dr ₹ 4500, To Bank A/c ₹ 4275, To Discount A/c ₹ 225
 6 Drawings A/c Dr ₹ 300, To Purchase A/c ₹ 300
 11 Bank A/c Dr ₹ 7000, Loss due to fire A/c Dr ₹ 3000, To Purchase A/c ₹ 10,000
 17 Rahul A/c Dr ₹ 9000, Bank A/c Dr ₹ 8550, Discount A/c Dr ₹ 450, To Sales A/c ₹ 18,000
7. Dt. 1 Bank A/c Dr ₹ 40,000, To Cash A/c ₹ 40,000
 6 Cash A/c Dr ₹ 5000, Drawings A/c Dr ₹ 3000, To Bank A/c ₹ 8000
 12 Non-economic transaction
 15 Machinery A/c Dr ₹ 51,000, To Bank A/c ₹ 50,000, To Cash A/c ₹ 1000
 18 Stationery expense A/c Dr ₹ 500, To Cash A/c ₹ 500

Section D

1. Dt. 1 Purchase A/c Dr ₹ 35,000, To Cash A/c ₹ 35,000
 4 Purchase A/c Dr ₹ 15,000, To Prachi A/c ₹ 15,000
 8 Jeenal A/c Dr ₹ 12,000, To Sales A/c ₹ 12,000
 12 Cash A/c Dr ₹ 10,000 To Sales A/c ₹ 10,000
 15 Sales return A/c Dr ₹ 1000, To Jeenal A/c ₹ 1000
 19 Prachi A/c Dr ₹ 1500, To Purchase return A/c ₹ 1500
 22 Rent A/c Dr ₹ 1000, To Cash A/c ₹ 1000
 25 Cash A/c Dr ₹ 700, To Commission A/c ₹ 700
2. Dt. 1 Cash A/c Dr ₹ 1,20,000, Machinery A/c Dr ₹ 20,000, Debtors A/c Dr ₹ 20,000, To Creditors A/c ₹ 10,000, To Raj loan A/c ₹ 40,000, To Capital A/c ₹ 1,10,000
 4 Cash A/c Dr ₹ 30,000, To Avis loan A/c ₹ 30,000
 6 Purchase A/c Dr ₹ 18,000, To Kanan A/c ₹ 9000, To Bank A/c ₹ 8550, To Discount A/c ₹ 450
 8 Nitya A/c Dr ₹ 10,000, To Sales A/c ₹ 10,000
 15 Sales return A/c Dr ₹ 6000, To Nitya A/c ₹ 6000
 15 Kanan A/c Dr ₹ 5400, To purchase return A/c ₹ 5400
3. Dt. 1 Cash A/c Dr ₹ 1,20,000, To Capital A/c ₹ 60,000, To Jay's loan A/c ₹ 60,000
 7 Purchase A/c Dr ₹ 7200, To Cash A/c ₹ 6840, To Discount A/c ₹ 360
 10 Drawings A/c Dr ₹ 1000, To Purchase A/c ₹ 400, To Cash A/c ₹ 600
 17 Salary A/c Dr ₹ 1500, To Cash A/c ₹ 1500

- 21 Shop rent A/c Dr ₹ 1200, Drawings A/c Dr ₹ 800, To Cash A/c ₹ 2000
- 25 Advertisement expense A/c Dr ₹ 1100, To Purchase A/c ₹ 1100
4. Dt. 1 Cash A/c Dr ₹ 10,000, To Capital A/c ₹ 10,000
- 5 Bank A/c Dr ₹ 2000, To Capital A/c ₹ 2000
- 7 Insurance Co. A/c Dr ₹ 3000, Cash A/c Dr ₹ 400, Loss due to fire A/c Dr ₹ 600,
To Purchase A/c ₹ 4000
- 12 Drawings A/c Dr ₹ 800, Insurance premium A/c Dr ₹ 700, To Bank A/c ₹ 1500
- 17 Stationery expense A/c Dr ₹ 350, To Cash A/c ₹ 350
- 20 Cash A/c Dr ₹ 1000, To Bad debts return A/c ₹ 1000
5. Dt. 1 Purchase A/c Dr ₹ 27,000, To Bhavik A/c ₹ 27,000
- 3 Gagan A/c Dr ₹ 33,750, To Sales A/c ₹ 33,750
- 7 Sales return A/c Dr ₹ 15,000, To Gagan A/c ₹ 15,000
- 7 Bhavik A/c Dr ₹ 12,000 To Purchase return A/c ₹ 12,000
- 15 Share investment A/c Dr ₹ 18,360, To Bank A/c ₹ 18,360
- 25 Bank A/c Dr ₹ 1500, Discount A/c Dr ₹ 15, To Kirit A/c ₹ 1515
6. Dt. 1 Cash A/c Dr ₹ 5000, Drawings A/c Dr ₹ 2000, To Bank A/c ₹ 7000
- 4 Drawings A/c Dr ₹ 1700, To Cash A/c ₹ 1700
- 10 Magan A/c Dr ₹ 5000, To Sales A/c ₹ 5000
- 15 Cash A/c Dr ₹ 200, Loss due to rain A/c Dr ₹ 500, To Purchase A/c ₹ 700
- 20 Salary A/c Dr ₹ 5000, Wages A/c Dr ₹ 1000, To Cash A/c ₹ 6000
- 25 Honey A/c Dr ₹ 5400, To Sales A/c ₹ 5400
- 30 Non-economic transaction
7. Dt. 1 Purchase A/c Dr ₹ 72,000, Input CGST A/c Dr ₹ 4320, Input SGST A/c Dr ₹ 4320,
To Nareshbhai A/c ₹ 80,640
- 5 Bakulbhai A/c Dr ₹ 1,00,800, To Sales A/c ₹ 90,000, To output IGST A/c ₹ 10,800
- 9 Nareshbhai A/c Dr ₹ 16,128, To Purchase return A/c ₹ 14,400, To Input CGST
A/c ₹ 864, To Input SGST A/c ₹ 864
- 15 Sales return A/c Dr ₹ 15,000, Output IGST A/c Dr ₹ 1800, To Bakulbhai A/c ₹ 16,800
- 22 Machine A/c Dr ₹ 60,000, Input CGST A/c Dr ₹ 3600, Input SGST
A/c Dr ₹ 3600, To Bank A/c ₹ 67,200
- 30 Telephone expense A/c Dr ₹ 8000, Input CGST A/c Dr ₹ 200, Input SGST A/c
Dr ₹ 200, To Bank A/c ₹ 8400
8. Dt. 1 Purchase A/c Dr ₹ 36,000, Input CGST A/c Dr ₹ 2160, Input SGST A/c Dr ₹ 2160,
To Bank A/c ₹ 40,320
- 3 Purchase A/c Dr ₹ 60,000, Input IGST A/c Dr ₹ 7200, To Manindarsingh A/c ₹ 67,200

- 6 Navinchandra A/c Dr ₹ 90,720 To Sales A/c ₹ 81,000, To Output CGST A/c ₹ 4860, To Output SGST A/c ₹ 4860
- 8 Brokerage A/c Dr ₹ 9000, Input CGST A/c Dr ₹ 225, Input SGST A/c Dr ₹ 225, To Cash A/c ₹ 9450
- 10 Machine A/c Dr ₹ 1,00,000, Input CGST A/c Dr ₹ 6000, Input SGST A/c Dr ₹ 6000, To Modern Machine A/c ₹ 1,12,000
- 15 Manindarsingh A/c Dr ₹ 16,800, To purchase return A/c ₹ 15,000, To Input IGST A/c ₹ 1800
- 18 Bank A/c Dr ₹ 30,240, To Sales A/c ₹ 27,000, To Output IGST A/c ₹ 3240
- 20 Sales return A/c Dr ₹ 30,000, Output CGST A/c Dr ₹ 1800, Output SGST A/c Dr ₹ 1800, To Navinchandra A/c ₹ 33,600
9. Dt. 1 Purchase A/c Dr ₹ 9000, Input CGST A/c Dr ₹ 540, Input SGST A/c Dr ₹ 540, To Bank A/c ₹ 10,080
- 3 Purchase A/c Dr ₹ 18,000, Input IGST A/c Dr ₹ 2160, To Prakashchandra A/c ₹ 20,160
- 5 Arvindbhai A/c Dr ₹ 30,240, To Sales A/c ₹ 27,000, To Output CGST A/c ₹ 1620, To Output SGST A/c ₹ 1620
- 8 Bank A/c Dr ₹ 25,200, To Sales A/c ₹ 22,500, To Output IGST A/c ₹ 2700
- 15 Prakashchandra A/c Dr ₹ 5040, To Purchase return A/c ₹ 4500, To Output IGST A/c ₹ 540
- 20 Sales return A/c Dr ₹ 9000, Output CGST A/c Dr ₹ 540, Output SGST A/c Dr ₹ 540, To Arvindbhai A/c ₹ 10,080
- 25 Furniture A/c Dr ₹ 10,000, Input CGST A/c Dr ₹ 600, Input SGST A/c Dr ₹ 600, To Shivam Furniture Mart A/c ₹ 11,200
- 28 Shop rent A/c Dr ₹ 4000, Input CGST A/c Dr ₹ 100, Input SGST A/c Dr 100, To Cash A/c ₹ 4200

Chapter 5 : Accounting Equation and Business Transactions

Section A

- | | | | | |
|--------|--------|--------|--------|--------|
| 1. (d) | 2. (c) | 3. (d) | 4. (c) | 5. (a) |
| 6. (a) | 7. (b) | 8. (d) | 9. (c) | |

Chapter 6 : Subsidiary Books

Section A

- | | | | | |
|--------|--------|--------|--------|---------|
| 1. (c) | 2. (d) | 3. (b) | 4. (b) | 5. (b) |
| 6. (d) | 7. (a) | 8. (b) | 9. (d) | 10. (b) |

Section C

1. Total credit purchase - ₹ 36,800
2. Total credit purchase - ₹ 61,200
3. Total credit Sales - ₹ 37,900
4. Total credit Sales - ₹ 24,400
5. Total credit purchase - TV ₹ 3,76,000, Geyser ₹ 10,000, Oven ₹ 60,500, Total ₹ 4,46,500
6. Net amount of goods ₹ 67,500, Railway freight ₹ 2000, Wages ₹ 2000, CGST ₹ 3138, SGST ₹ 3138, IGST ₹ 2304, Total amount ₹ 80,080
7. Total credit Sales : AC ₹ 4,71,600, Fans ₹ 1,63,500, Cooler ₹ 91,300, Total ₹ 7,26,400
8. Net amount of goods ₹ 82,500, Railway freight ₹ 1200, Wages ₹ 900, CGST ₹ 5013, SGST ₹ 5013, IGST ₹ 5202, Total amount ₹ 99,828

Section D

1. Total credit purchase - ₹ 21,500
Total credit Sales - ₹ 21,800
Total credit purchase return - ₹ 2000
Total credit Sales return - ₹ 700
2. Total credit purchase - ₹ 33,000
Total credit Sales - ₹ 16,800
Total credit purchase return - ₹ 2000
Total credit Sales return - ₹ 2400
3. Total credit purchase - ₹ 16,200
Total credit Sales - ₹ 12,640
Total credit purchase return - ₹ 2400
Total credit Sales return - ₹ 2960
4. Total credit purchase - ₹ 12,000
Total credit Sales - ₹ 24,000
Total credit purchase return - ₹ 900
Total credit Sales return - ₹ 1000

5.

Particular	Purchase book	Sales book	Purchase return book	Sales return book
Net amount of goods	19,800	28,000	4500	5000
Railway freight	1100	1700	300	350
Wages	700	1150	200	200
CGST	600	1185	300	—
SGST	600	1185	300	—
IGST	1392	1332	—	666
Total	24,192	34,552	5600	6216

6.

Particular	Purchase book	Sales book	Purchase return book	Sales return book
Chair	15,300	4000	1350	800
Sofa	22,500	37,000	9000	12,500
Total	37,800	41,000	10,350	13,300

Chapter 7 : Cashbook and Its Types

Section A

1. (c)
2. (c)
3. (d)
4. (c)
5. (d)
6. (a)
7. (b)
8. (c)
9. (d)
10. (b)

Section E

<p>1. Closing cash balance : ₹ 18,000</p> <p>2. Closing cash balance : ₹ 16,090</p> <p style="padding-left: 20px;">Discount allowed : ₹ 900</p> <p style="padding-left: 20px;">Discount received : ₹ 410</p> <p>3. Closing cash balance : ₹ 19,200</p> <p style="padding-left: 20px;">Closing bank balance : ₹ 6500</p> <p>4. Closing cash balance : ₹ 17,500</p> <p style="padding-left: 20px;">Closing bank balance : ₹ 1800</p> <p>5. Closing bank overdraft : ₹ 12,300</p> <p style="padding-left: 20px;">Discount allowed : ₹ 610</p> <p style="padding-left: 20px;">Discount received : ₹ 460</p> <p>6. Closing cash balance : ₹ 19,850</p> <p style="padding-left: 20px;">Closing bank balance : ₹ 3700</p> <p style="padding-left: 20px;">Discount allowed : ₹ 510</p> <p style="padding-left: 20px;">Discount received : ₹ 50</p> <p>7. Closing cash balance : ₹ 14,600</p> <p style="padding-left: 20px;">Closing bank overdraft : ₹ 3530</p> <p style="padding-left: 20px;">Discount allowed : ₹ 400</p> <p style="padding-left: 20px;">Discount received : ₹ 270</p> <p>8. Closing cash balance : ₹ 10,000</p> <p style="padding-left: 20px;">Closing bank balance : ₹ 15,745</p> <p style="padding-left: 20px;">Discount received : ₹ 750</p> <p>9. Closing cash balance : ₹ 20,000</p> <p style="padding-left: 20px;">Closing bank balance : ₹ 18,595</p> <p style="padding-left: 20px;">Discount allowed : ₹ 1000</p> <p>10. Closing cash balance : ₹ 10,000</p> <p style="padding-left: 20px;">Closing bank balance : ₹ 30,870</p> <p style="padding-left: 20px;">Discount allowed : ₹ 600</p> <p>11. Closing cash balance : ₹ 18,900</p> <p style="padding-left: 20px;">Closing bank overdraft : ₹ 500</p> <p style="padding-left: 20px;">Discount allowed : ₹ 900</p> <p style="padding-left: 20px;">Discount received : ₹ 540</p>	<p>12. Closing cash balance : ₹ 5000</p> <p style="padding-left: 20px;">Closing bank balance : ₹ 8260</p> <p style="padding-left: 20px;">Discount allowed : ₹ 350</p> <p style="padding-left: 20px;">Discount received : ₹ 360</p> <p>13. Closing cash balance : ₹ 2000</p> <p style="padding-left: 20px;">Closing bank balance : ₹ 8080</p> <p style="padding-left: 20px;">Discount allowed : ₹ 190</p> <p style="padding-left: 20px;">Discount received : ₹ 370</p> <p>14. Closing cash balance : ₹ 55,000</p> <p style="padding-left: 20px;">Closing bank balance : ₹ 5,67,940</p> <p style="padding-left: 20px;">Discount allowed : ₹ 5200</p> <p style="padding-left: 20px;">Discount received : —</p> <p>15. Closing cash balance : ₹ 41,000</p> <p style="padding-left: 20px;">Closing bank balance : ₹ 1,98,305</p> <p style="padding-left: 20px;">Discount allowed : ₹ 3600</p> <p style="padding-left: 20px;">Discount received : ₹ 200</p> <p>16. PNB bank balance : ₹ 10,400</p> <p style="padding-left: 20px;">BOB Bank overdraft : ₹ 4500</p> <p>17. Bank balance A/c no. 111 : ₹ 6000</p> <p style="padding-left: 20px;">Bank overdraft A/c.</p> <p style="padding-left: 40px;">no. 555 : ₹ 1980</p> <p>18. Total receipt : ₹ 4000</p> <p style="padding-left: 20px;">Total payment : ₹ 2500</p> <p style="padding-left: 20px;">Closing balance : Petty cash : ₹ 1500</p> <p>19. Total receipt : ₹ 6000</p> <p style="padding-left: 20px;">Total payment : ₹ 3300</p> <p style="padding-left: 20px;">Closing balance : Petty cash : ₹ 2700</p> <p>20. Total receipt : ₹ 5000</p> <p style="padding-left: 20px;">Total payment : ₹ 3400</p> <p style="padding-left: 20px;">Closing balance : Petty cash : ₹ 1600</p>
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Chapter 8 : Journal Proper

Section A

- | | | | | |
|--------|--------|--------|--------|---------|
| 1. (b) | 2. (c) | 3. (d) | 4. (a) | 5. (a) |
| 6. (b) | 7. (a) | 8. (d) | 9. (c) | 10. (b) |

Section C

1. (1) Furniture A/c Dr ₹ 5000, Good stock A/c Dr ₹ 10,000
Machines A/c Dr 15,000, To Capital A/c ₹ 30,000
(2) Debtors A/c Dr ₹ 15,000, To Creditor A/c ₹ 5000
To Capital A/c ₹ 10,000
(3) Vishal A/c Dr ₹ 10,000, Capital A/c Dr ₹ 8000
To Vivek A/c ₹ 18,000
(4) Capital A/c Dr ₹ 8000, To Creditors A/c ₹ 8000
(5) Furniture A/c Dr ₹ 7000, Vehicles A/c Dr ₹ 15,000
To Capital A/c ₹ 22,000
2. (1) Cash A/c Dr ₹ 6000, To Drawings A/c ₹ 6000
(2) Biren A/c Dr ₹ 8000, To Vipul A/c ₹ 8000
(3) Ronak A/c Dr ₹ 6200, To Raj A/c ₹ 6000, To Discount A/c ₹ 200
3. (1) Wages A/c Dr ₹ 500, To Outstanding wages A/c ₹ 500
(2) Prepaid insurance premium A/c Dr ₹ 800, To Insurance premium A/c ₹ 800
(3) Receivable commission A/c Dr ₹ 1200, To Commission A/c ₹ 1200
(4) Candidate's premium A/c Dr ₹ 1000, To Advanced received Candidate's premium A/c ₹ 1000
(5) Depreciation A/c Dr ₹ 2000, To Machinery A/c ₹ 2000
(6) Closing stock A/c Dr ₹ 15,000, To Trading A/c ₹ 15,000
(7) Stationery stock A/c Dr ₹ 800, To Stationery expense A/c ₹ 800
(8) Bad debt A/c Dr ₹ 3000, To Rahul A/c ₹ 3000
4. (1) Sales A/c Dr ₹ 80,000, To Trading A/c ₹ 80,000
(2) Trading A/c Dr ₹ 60,000, To Purchase A/c ₹ 60,000
(3) Trading A/c Dr ₹ 5000, To Wages A/c ₹ 5000
(4) Purchase return A/c Dr ₹ 3000, To Trading A/c ₹ 3000
(5) Trading A/c Dr ₹ 2000, To Sales return A/c ₹ 2000
(6) Trading A/c Dr ₹ 1000, To Railway freight A/c ₹ 1000

5. (1) Profit-loss A/c Dr ₹ 8000, To Salary A/c ₹ 8000
 (2) Dividend A/c Dr ₹ 6000, To Profit and loss A/c ₹ 6000
 (3) Profit and loss A/c Dr ₹ 12,000, To Advertisement expense A/c ₹ 12,000
 (4) Interest received A/c Dr ₹ 3000, To Profit and loss A/c ₹ 3000
 (5) Profit and loss A/c Dr ₹ 5000, To Insurance premium A/c ₹ 5000
 (6) Rent received A/c Dr ₹ 4000, To Profit and loss A/c ₹ 4000
6. (1) Rahul A/c Dr ₹ 2000, To Bad debts return A/c ₹ 2000
 (2) Mohan A/c Dr ₹ 4500, To Sohan A/c ₹ 4500
 (3) Drawings A/c Dr ₹ 1200, To Insurance premium A/c ₹ 1200
 (4) Salary A/c Dr ₹ 6000, To Parag A/c ₹ 6000
 (5) Machinery A/c Dr ₹ 1000, To Wages A/c ₹ 1000
 (6) Sales A/c Dr ₹ 4000, To Furniture A/c ₹ 4000
7. (1) Drawings A/c Dr ₹ 2000, To Purchase A/c ₹ 2000
 (2) Advertisement expense A/c Dr ₹ 3000, To Purchase A/c ₹ 3000
 (3) Charity expense A/c Dr ₹ 5100, To Purchase A/c ₹ 5100
 (4) Insurance Co. A/c Dr ₹ 6400, Loss due to fire A/c Dr ₹ 1600, To Purchase A/c ₹ 8000
 (5) Furniture A/c Dr ₹ 3500, To Purchase A/c ₹ 3500
 (6) Drawings A/c Dr ₹ 2000, To Purchase A/c ₹ 2000
8. (1) Furniture A/c Dr ₹ 20,000, To Sajawat Furniture A/c Dr ₹ 20,000
 (2) Chirag A/c Dr ₹ 22,000, To Machine A/c ₹ 20,000, To Profit on sale of machine A/c ₹ 2000
 (3) Loss on sale of furniture A/c Dr ₹ 500, To Furniture A/c ₹ 500
 (4) No entry
 (5) Machine A/c Dr ₹ 25,000, To Sagar Machinery Stores A/c ₹ 25,000
 (6) Loss due to fire A/c Dr ₹ 1000, To Purchase A/c ₹ 1000
9. (1) Bills receivable A/c Dr ₹ 5000, To Mukesh A/c ₹ 5000
 (2) Vinod A/c Dr ₹ 7000, To Bills payable A/c ₹ 7000
 (3) Suresh A/c Dr ₹ 2000, To Purchase return A/c ₹ 2000
 (4) Durgesh A/c Dr ₹ 5000, To Bills receivable A/c ₹ 5000
 (5) Sales return A/c Dr ₹ 3000, To Ashvin A/c ₹ 3000
 (6) No entry
10. (1) Stock A/c Dr ₹ 10,000, Machine A/c Dr ₹ 25,000, To Capital A/c ₹ 35,000
 (2) Cellular phone A/c Dr ₹ 20,000, To Kabir Stores A/c ₹ 20,000
 (3) Interest A/c Dr ₹ 500, To Rohit A/c ₹ 500
 (4) Insurance Co. A/c Dr ₹ 9000, Loss due to theft A/c Dr ₹ 3000, To Purchase A/c ₹ 12,000
 (5) Drawings A/c Dr ₹ 800, To Sundry exp. A/c ₹ 800
 (6) Rent received A/c Dr ₹ 4000, To Profit-loss A/c ₹ 4000

Chapter 9 : Ledger - Posting

Section A

- | | | | | |
|--------|--------|--------|--------|---------|
| 1. (a) | 2. (c) | 3. (a) | 4. (c) | 5. (a) |
| 6. (c) | 7. (d) | 8. (a) | 9. (d) | 10. (a) |

Section C

(2)	Purchase book	Sales book
Net amount of goods	₹ 1,10,500	₹ 98,400
Railway freight	₹ 1500	₹ 1200
Wages	₹ 300	₹ 500
Input CGST	₹ 6738	—
Input SGST	₹ 6738	—
Output CGST	—	₹ 6006
Output SGST	—	₹ 6006
Total amount	₹ 1,25,776	₹ 1,12,112

(8)	Purchase book	Purchase return book
Net amount of goods	₹ 28,650	₹ 7000
Transport expenses	₹ 3200	₹ 600
Input CGST	₹ 1143	₹ 456
Input SGST	₹ 1143	₹ 456
Input IGST	₹ 1536	—
Total amount	₹ 35,672	₹ 8512

(9)	Sales book	Sales return book
Net amount of goods	₹ 51,200	₹ 10,000
Railway freight	₹ 3200	₹ 900
Wages	₹ 1400	₹ 400
Output CGST	₹ 2754	—
Output SGST	₹ 2754	—
Output IGST	₹ 4536	₹ 2034
Total amount	₹ 65,844	₹ 13,334

Chapter 10 : Trial Balance

Section A

- | | | | | |
|--------|--------|--------|--------|---------|
| 1. (b) | 2. (c) | 3. (b) | 4. (a) | 5. (a) |
| 6. (c) | 7. (b) | 8. (c) | 9. (a) | 10. (c) |

Section D

1. Total of trial balance ₹ 71,500
2. Total of trial balance ₹ 28,000
3. Total of trial balance ₹ 7,41,000
4. Total of trial balance ₹ 82,650
5. Total of trial balance ₹ 35,600
6. Total of trial balance ₹ 76,210
7. Total of trial balance ₹ 60,810
8. Total of trial balance ₹ 67,000

Note : Credit balance of ₹ 700 will be recorded to suspense A/c

9. Total of trial balance ₹ 1,43,940
10. Total of trial balance ₹ 2,77,390

Chapter 11 : Bank Reconciliation Statement

Section A

- | | | | | |
|--------|--------|--------|--------|---------|
| 1. (d) | 2. (a) | 3. (b) | 4. (b) | 5. (a) |
| 6. (d) | 7. (a) | 8. (a) | 9. (c) | 10. (d) |

Section E

1. Bank balance as per pass book ₹ 6970
2. Bank balance as per pass book ₹ 26,200
3. Bank overdraft as per pass book ₹ 7600
4. Bank balance as per pass book ₹ 5620
5. Bank balance as per pass book ₹ zero
6. Bank overdraft as per pass book ₹ 19,600
7. Bank overdraft as per pass book ₹ 17,330
8. Bank overdraft as per pass book ₹ 1,28,900
9. Bank balance as per pass book ₹ 1780
10. Bank overdraft as per cashbook ₹ 7060

Section E

19. 2018

- Feb. 1 Cash A/c Dr ₹ 1,00,000, To Avani's loan A/c Cr ₹ 40,000, To Capital A/c Cr ₹ 60,000
- 4 Purchase A/c Dr ₹ 31,500, To Parag A/c Cr ₹ 31,500
- 8 Jinal A/c Dr ₹ 12,000, Sales A/c Cr ₹ 12,000
- 12 Drawings A/c Dr ₹ 1000, Fire insurance premium A/c Dr ₹ 1500, To Bank A/c Cr ₹ 2500
- 22 Rent A/c Dr ₹ 10,000, Bank A/c Cr ₹ 10,000
- 25 Cash A/c Dr ₹ 700, Commission A/c Cr ₹ 700

20. Total credit purchase ₹ 21,500, Total debit purchase return ₹ 2000
Total credit Sales ₹ 21,800, Total credit sales return ₹ 700

21. Closing cash balance ₹ 19,200
Closing bank balance ₹ 6500

