

14. Pass the necessary Journal Entry for the following transactions : [4]

1. Sold goods costing ` 27,000 at a profit of 25% on sales at 20% Trade discount to Anjul Kumar. Charged VAT @ 10 %. Paid cartage in cash ` 120 which is to be charged from Anjul Kumar.
2. Goods of ` 40,000 lost due to fire but Insurance Company did not accept the claim to the extent of 40 %.

15. Prepare the 'Purchase Book' of 'Kumar Mani Furniture House, Kanpur' from the following transactions : [4]

- June, 7 Purchased from Arora and Co., Nai Sarak, Delhi*
10 Chairs @ ` 200 each
2 Tables @ ` 600 each
10 % trade discount
- June, 10 Purchased by Sudha Furniture Co., Agra*
10 Almirahs @ ` 3,000 each
6 Computer Table @ ` 500 each
10 % trade discount
- June, 12 Purchased scooter from Radhey Shyam Bihari, Lucknow for ` 10,000*
June, 13 Sold to Meera Mart for cash
6 Tables @ Rs 700 each
10 % trade discount
- June, 15 Purchased from Fateh Chand & Co., Meerut*
20 Chairs @ ` 250 each
15 Tables @ ` 700 each
- June, 20 Purchased from Hira Lal & Sons., Mumbai for cash*
20 chairs @ Rs 250 each

16. Even though the debit and credit sides agree, the Trial Balance contains mistakes. Redraft the Trial Balance. [4]

Particulars	Debit `	Credit `
Capital		1,00,000
Opening Stock	16,590	
Closing Stock		20,580
Gross Block	79,000	
Book Debts	20,670	
Gross Purchases	60,920	
Royalty	200	
Credit Note issued	2,400	
Debit Note issued		1,230
Carriage inwards	600	
Carriage outwards		1,850
Import duty	1,200	
Export duty		800
Wages and Salaries	31,400	
Bills Receivables	15,000	
Bills Payable		8,000
Rent received	3,800	
Interest paid		1,100
Bank over draft	11,000	
Cash in hand	380	
Commission Received		870
Rates and Taxes	7,130	
Discount Allowed		760
Sundry creditors		12,500
Gross Sales		1,02,600
Total	2,50,290	2,50,290

17. Find Gross Profit from the given information : [4]
 Credit Sales ` 3,00,000; Cash Sales are 25% of Total Sales; Purchases ` 2,70,000; Carriage on Sales ` 20,000; Discount on purchases ` 10,000; Carriage on Purchases ` 50,000; Excess of Closing Stock over Opening Stock ` 40,000.

18. Explain the following : [6]
 (a) Business Entity Concept (b) Conservatism Principle
 (c) Full Disclosure Principle

OR

Explain the following : –

- (A) (i) Verifiable objective concept (ii) Full Disclosure Principle
 (B) According to the above two concepts which two values can be identified from them.

19. Prepare an Accounting Equation from the following : [6]
 a) Mr. Nawab started business with cash ` 1,00,000 and by taking loan @ 12% p.a. from his wife ` 50,000.
 b) Purchased goods from Ravish ` 30,000 @ 20% Trade Discount and paid 10 % VAT, half of the amount was paid in cash.
 c) Paid salary ` 15,000 out of which ` 3,000 related to next year.
 d) Sold goods worth ` 8,000 at a profit of 20% on sales, less 10% trade discount and charged 10 % VAT. e) Paid ` 12,000 to Ravish in full settlement.
 f) Paid Interest on Mrs. Nawab's Loan for 6 months along with the principal amount of ` 20,000.

20. Prepare Cash Book with Bank Column of Karan from the following particulars : [6]

Jan. 1 Cash balance ` 35,000

Cash at bank ` 10,000

Jan. 4 Sold goods costing ` 10,000 at 20 % profit above cost less 20% trade discount, to Rahim and received a cheque.

- Jan 5** Purchased goods costing ` 20,000 at 10% trade discount from Kabir.
- Jan.6** Purchased a second hand printer from 'All Printing Solutions' for ` 800 and paid ` 200 on its repairs.
- Jan 12** Withdrew from bank ` 6,000 out of which Karan deposited ` 2,000 into his personal bank A/c.
- Jan 13** Rahim's cheque endorsed to Kabir as part payment.
- Jan 18** Sold goods ` 10,000 at ` 11,000 to Ketan and paid carriage of ` 1,000 in cash on behalf of Ketan.
- Jan 19** Rahim's cheque returned dishonoured and dishonoured charges were ` 200.
- Jan 31** Bank Pass book showed debit of ` 1,000 as Bank Charges and credit of ` 400 for interest.
- Jan 31** Deposited the entire cash into bank after retaining ` 8,800.

21. Record the following transactions of Sh. Keshar Chand, Bijapur in Sales Book and Sales A/c and Surya Narayan A/c. [6]

2002

- Jan, 6** Sold goods to Surya Narayan, Santa Cruz, Mumbai
60 metre Silk @ ` 150 per metre
100 metre Cotton @ ` 70 per metre
Less Trade Discount @ 12 1/2 %
- Jan, 19** Sold to Raman, Lahori Gate, Panipat
50 metre Silk @ ` 120 per metre
50 metre Cotton @ ` 60 per metre
Less Trade Discount @ 15 %
Cash Discount allowed to him @ 10 %
- Jan, 20** Mr. Keshar Chand took away 5 metres silk costing ` 100 per metre for his personal use.
- Jan, 22** Sold old furniture on credit to Satyam, New Delhi, ` 1,200
- Jan, 25** Old newspaper sold ` 400
- Jan, 28** Sold 400 metres silk @ ` 160 per metres and 50 metres Cotton @ ` 80 per metre
Less
Trade Discount @ 8 % to Ganesh Chand, Gol Market, Patna

22. Pass the necessary Journal Entries in the books of 'Delhi Furniture House' for the following transactions : [8]

- a) Received ` 5,000 from Abhay Raj, which were earlier written off as bad debts. b) Timber worth ` 3,000 were used for furnishing the office.
- c) Paid rent ` 2,000 to Ajeet Tiwari (the proprietor) for the building hired by firm from him.
- d) Out of the insurance premium paid this year ` 3,000 is related to next year.
- e) A printing machine with the book value of ` 30,000 is exchanged for a new machine of ` 1,25,000.
The old machine is valued at ` 35,000 for exchange purposes by 'Xerox Printing Tools Ltd'.

- f) Paid ` 4,000 for carriage on sales to Mishri Lal. This amount is to be realized from Mishri Lal. g) Placed an order with Manjeet Singh for the supply of goods of the list price of ` 50,000. An advance of 10% is paid through cheque.
- h) Paid repairs of car ` 15,000 by cheque. 1/3rd of car is being used for personal purposes.

23. Prepare final Accounts Shri Brij Lal as on 31st December, 2010 from the following balances.

[8]

Particulars		Particulars	
Stock 1-1-10	22,400	Goodwill	14,600
Purchases	81,000	Book Debts	28,500
Productive Expenses	11,500	Creditors	30,200
Carriage on Purchases	3,400	Bank	1,200
Establishment	12,000	Charges	8,600
Expenses Furniture	25,000	Cash at	400
and Fixtures Sales	1,52,00 0	Bank Bad	4,400
Returns (Dr.)	2,000	Debts	1,200
Returns (Cr.)	1,000	Commission	13,000
Factory Rent	8,000	(Cr.) Discount	3,000
Carriage on	3,600	(Dr.) Salary and	14,400
Sales	8,400	Wages	20,000
Unproductive Expenses	2,000	Depreciation	2,000
Loss on sale of Furniture	23,000	BP	10,000
Loan Cr.	2,200	Investment	30,000
Interest on Loan	4,000	s	11,000
Apprentice Premium	1,00,000	Bad Debt recovered	3,000

Closing Stock is valued at ` 30,500 at cost price and ` 38,500 at market Price.

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From the following prepare Trading, Profit and Loss A/c and Balance Sheet on 31st December, 2011:

Particulars		Particulars	
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Furniture and Fixtures	10,000	Advertisement	2,000
Opening Stock	30,000	Unproductive Expenses	3,800
Land &	40,000	Loose Tools	4,000
Building Motor	24,000	Bad Debts	1,200
Vehicle Sundry	23,500	Salary and	10,400
Debtors	45,500	Wages	4,000
Purchases	1,15,600	Commission	85,000
Sales	300	(Cr.) Capital	10,000
Discount (Cr.)	22,400	Patents	500
Sundry Creditors	4,600	Miscellaneous Expenses	4,900
Productive	3,000	Profit on sale of	3,600
Expenses Trade	10,400	Furniture Life	2,400
Expenses	2,600	Insurance Premium	10,000
Bank Overdraft	400	Rent Received	2,400
Legal Expenses	13,000	Rent (Factory ¹ / ₄)	500

Closing Stock is valued at ` 35,800 at cost price and ` 33,800 at market Price.

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