

STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86
(For candidates admitted from the academic year 2023 – 2024 and thereafter)

B.COM. (BFE) DEGREE EXAMINATION – NOVEMBER 2024
BANKING, FINANCE AND ENTREPRENEURSHIP
FIRST SEMESTER

COURSE : **MAJOR CORE**
PAPER : **FINANCIAL ACCOUNTING**
SUBJECT CODE : **23BF/MC/FA14**
TIME : **3 HOURS**

MAX. MARKS: 100

SECTION A																		
Q. No	Answer all questions:	(5 x 2 = 10)	CO	KL														
1	Identify the Meaning of the term Accounting Standard.		CO1	K1														
2	Pass Journal entries for the following: (a) Purchased furniture for Rs.1,00,000 and paid by cheque. (b) Cash received from Aravind Rs.3,760 and discount allowed to him Rs.40.		CO1	K1														
3	The Bank Overdraft of R on 31.12.2023 as per cash book was Rs.90,000, from the following particulars, prepare Bank Reconciliation Statement. (a) Bank interest debited in the pass book only – Rs.500 (b) Cheque dishonoured – Rs.500 (c) Bill collected – Rs.800		CO1	K1														
4	Prepare Branch Debtors Account from the following: Opening balance of Debtors – Rs.3,00,000 Discount allowed – Rs.10,000 Bad Debts – Rs.5,000 Sales return – Rs.2,000 Closing balance of Debtors – Rs.4,00,000		CO1	K1														
5	List out the features of Income and Expenditure Account.		CO1	K1														
SECTION B																		
Q. No	Answer any four questions:	(4 x 5 = 20)	CO	KL														
6	Elaborate on the advantages of Accounting Standard.		CO2	K2														
7	Prepare the Trial Balance for the following: <table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: center;">Particulars</th> <th style="width: 50%; text-align: center;">Amount (Rs.)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Capital</td> <td style="text-align: right;">80,000</td> </tr> <tr> <td style="text-align: center;">Purchases</td> <td style="text-align: right;">65,000</td> </tr> <tr> <td style="text-align: center;">Bill Payable</td> <td style="text-align: right;">20,000</td> </tr> <tr> <td style="text-align: center;">Rent Paid</td> <td style="text-align: right;">15,000</td> </tr> <tr> <td style="text-align: center;">Sales Return</td> <td style="text-align: right;">30,000</td> </tr> <tr> <td style="text-align: center;">Discount Received</td> <td style="text-align: right;">10,000</td> </tr> </tbody> </table>	Particulars	Amount (Rs.)	Capital	80,000	Purchases	65,000	Bill Payable	20,000	Rent Paid	15,000	Sales Return	30,000	Discount Received	10,000		CO2	K2
Particulars	Amount (Rs.)																	
Capital	80,000																	
Purchases	65,000																	
Bill Payable	20,000																	
Rent Paid	15,000																	
Sales Return	30,000																	
Discount Received	10,000																	
8	From the following particulars prepare bank reconciliation statement. Bank overdraft of R on 31.12.2018 as per cash book is Rs.9,000. <table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <tbody> <tr> <td style="width: 80%;">(i) Unpresented Cheque</td> <td style="width: 20%; text-align: right;">3000</td> </tr> <tr> <td>(ii) Uncleared Cheque</td> <td style="text-align: right;">1700</td> </tr> <tr> <td>(iii) Bank interest debited in pass book only</td> <td style="text-align: right;">500</td> </tr> <tr> <td>(iv) Bill collected and credited in pass book only</td> <td style="text-align: right;">800</td> </tr> <tr> <td>(v) Cheque of R dishonoured</td> <td style="text-align: right;">500</td> </tr> <tr> <td>(vi) Cheque issued to S entered in the cash column of cash book</td> <td style="text-align: right;">300</td> </tr> </tbody> </table>	(i) Unpresented Cheque	3000	(ii) Uncleared Cheque	1700	(iii) Bank interest debited in pass book only	500	(iv) Bill collected and credited in pass book only	800	(v) Cheque of R dishonoured	500	(vi) Cheque issued to S entered in the cash column of cash book	300		CO2	K2		
(i) Unpresented Cheque	3000																	
(ii) Uncleared Cheque	1700																	
(iii) Bank interest debited in pass book only	500																	
(iv) Bill collected and credited in pass book only	800																	
(v) Cheque of R dishonoured	500																	
(vi) Cheque issued to S entered in the cash column of cash book	300																	

9	Prepare Receipts and payments a/c of a club for the year ended 31 st Dec 2023 from the following particulars:	CO2	K2																																																				
<table border="1"> <thead> <tr> <th>Particulars</th> <th>Amt (Rs.)</th> <th>Particulars</th> <th>Amt (Rs.)</th> </tr> </thead> <tbody> <tr> <td>Opening balance of cash</td> <td>40,000</td> <td>Rent Paid</td> <td>1200</td> </tr> <tr> <td>Receipt of entrance fees</td> <td>8,000</td> <td>Payment for Purchaser of cricket balls</td> <td>500</td> </tr> <tr> <td>Subscription received for 2023</td> <td>16,000</td> <td>Payment for Purchase of cricket bats</td> <td>1600</td> </tr> <tr> <td>Previous year's subscription received</td> <td>1,600</td> <td>Payment for stationery in Cash</td> <td>100</td> </tr> <tr> <td>Paid salaries</td> <td>2,000</td> <td></td> <td></td> </tr> <tr> <td>Paid for Miscellaneous expenses</td> <td>200</td> <td></td> <td></td> </tr> </tbody> </table>		Particulars	Amt (Rs.)	Particulars	Amt (Rs.)	Opening balance of cash	40,000	Rent Paid	1200	Receipt of entrance fees	8,000	Payment for Purchaser of cricket balls	500	Subscription received for 2023	16,000	Payment for Purchase of cricket bats	1600	Previous year's subscription received	1,600	Payment for stationery in Cash	100	Paid salaries	2,000			Paid for Miscellaneous expenses	200																												
Particulars	Amt (Rs.)	Particulars	Amt (Rs.)																																																				
Opening balance of cash	40,000	Rent Paid	1200																																																				
Receipt of entrance fees	8,000	Payment for Purchaser of cricket balls	500																																																				
Subscription received for 2023	16,000	Payment for Purchase of cricket bats	1600																																																				
Previous year's subscription received	1,600	Payment for stationery in Cash	100																																																				
Paid salaries	2,000																																																						
Paid for Miscellaneous expenses	200																																																						
10	J Ltd., purchased a machine on 1.1.2023 for Rs 50,000. On 1.7.23 further machinery was purchased for Rs 25,000. On 1.7.24 the machinery purchased on 1.1.2023 having become obsolete, was sold off for Rs 20,000. Depreciation has to be charged at 20% on the original cost assuming that the accounts are closed every year on 31 st December. Prepare (a) Machinery Account (b) Provision for Depreciation Account.	CO2	K2																																																				
11	From the following information relating to Chennai Branch for the year ending 31 st March 2022, prepare the Branch Account in the books of head office.	CO2	K2																																																				
<table border="1"> <thead> <tr> <th></th> <th>Rs.</th> <th></th> <th>Rs.</th> </tr> </thead> <tbody> <tr> <td>Opening balance on 1.4. 2021:</td> <td></td> <td>Cheque sent to branch:</td> <td></td> </tr> <tr> <td>Stock at branch</td> <td>37,500</td> <td>Salaries</td> <td>22,500</td> </tr> <tr> <td>Debtors at branch</td> <td>75,000</td> <td>Rent and taxes</td> <td>3,750</td> </tr> <tr> <td>Petty cash at branch</td> <td>750</td> <td>Petty cash</td> <td>2,750</td> </tr> <tr> <td>Goods sent to branch</td> <td>6,30,000</td> <td>Closing balance at branch on 31.03.2022</td> <td></td> </tr> <tr> <td></td> <td></td> <td>Stock</td> <td>62,500</td> </tr> <tr> <td></td> <td></td> <td>Debtors</td> <td>1,20,000</td> </tr> <tr> <td></td> <td></td> <td>Petty Cash</td> <td>500</td> </tr> <tr> <td>Cash sales</td> <td>1,50,000</td> <td></td> <td></td> </tr> <tr> <td>Cash from debtors</td> <td>5,25,000</td> <td></td> <td></td> </tr> <tr> <td>Goods returned by Branch</td> <td>5,000</td> <td></td> <td></td> </tr> <tr> <td>Credit sales</td> <td>5,70,000</td> <td></td> <td></td> </tr> </tbody> </table>			Rs.		Rs.	Opening balance on 1.4. 2021:		Cheque sent to branch:		Stock at branch	37,500	Salaries	22,500	Debtors at branch	75,000	Rent and taxes	3,750	Petty cash at branch	750	Petty cash	2,750	Goods sent to branch	6,30,000	Closing balance at branch on 31.03.2022				Stock	62,500			Debtors	1,20,000			Petty Cash	500	Cash sales	1,50,000			Cash from debtors	5,25,000			Goods returned by Branch	5,000			Credit sales	5,70,000				
	Rs.		Rs.																																																				
Opening balance on 1.4. 2021:		Cheque sent to branch:																																																					
Stock at branch	37,500	Salaries	22,500																																																				
Debtors at branch	75,000	Rent and taxes	3,750																																																				
Petty cash at branch	750	Petty cash	2,750																																																				
Goods sent to branch	6,30,000	Closing balance at branch on 31.03.2022																																																					
		Stock	62,500																																																				
		Debtors	1,20,000																																																				
		Petty Cash	500																																																				
Cash sales	1,50,000																																																						
Cash from debtors	5,25,000																																																						
Goods returned by Branch	5,000																																																						
Credit sales	5,70,000																																																						

SECTION C																	
Q. No.	Answer the following Questions:	(4 x 10 = 40)	CO	KL													
12	<p>(a) Enter the following transactions in the Journal of A</p> <p>2023 Jan 12 Purchased Building for Rs.5,00,000 13 Commission paid Rs.600 16 Paid Rs.400 as donation to political parties 20 Withdrew Rs.360 for personal use. 25 Purchased goods worth Rs.16,000 from Dayalan 30 Received grant of Rs.800 from B</p> <p style="text-align: center;">(or)</p> <p>(b) Prepare Trading Account from the following information:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Opening stock</td> <td style="text-align: right;">Rs. 2,00,000</td> </tr> <tr> <td>Purchases</td> <td style="text-align: right;">Rs. 3,50,000</td> </tr> <tr> <td>Purchase Returns</td> <td style="text-align: right;">Rs. 45,000</td> </tr> <tr> <td>Direct expenses</td> <td style="text-align: right;">Rs. 20,000</td> </tr> <tr> <td>Carriage inwards</td> <td style="text-align: right;">Rs. 15,000</td> </tr> <tr> <td>Sales</td> <td style="text-align: right;">Rs. 3,00,000</td> </tr> <tr> <td>Closing stock</td> <td style="text-align: right;">Rs. 30,000</td> </tr> </table>	Opening stock	Rs. 2,00,000	Purchases	Rs. 3,50,000	Purchase Returns	Rs. 45,000	Direct expenses	Rs. 20,000	Carriage inwards	Rs. 15,000	Sales	Rs. 3,00,000	Closing stock	Rs. 30,000	CO3	K3
Opening stock	Rs. 2,00,000																
Purchases	Rs. 3,50,000																
Purchase Returns	Rs. 45,000																
Direct expenses	Rs. 20,000																
Carriage inwards	Rs. 15,000																
Sales	Rs. 3,00,000																
Closing stock	Rs. 30,000																
13	<p>(a) From the following particulars, prepare a Bank Reconciliation statement as on 31st March 2023</p> <p>(a) Bank balance as per pass book as on 31.3.2023 – Rs.10,500 (b) Cheque deposited but not cleared – Rs.750 (c) Sundry charges debited in the pass book, but not in cash book – Rs.35 (d) Cheques issued but not presented – Rs.1,200 (e) Direct Payment by customers to bank – Rs.800 (f) Dividend received by bank and credited in the pass book, but not in cash book Rs.130.</p> <p style="text-align: center;">(or)</p> <p>(b) A plant was purchased by a company whose accounting year is the Calendar year. On 1.4.2021, plant costing Rs.90,000 was purchased. The company purchased another plant on 1st October 2021 for Rs.60,000. On 1.7.2022 it purchased another plant costing Rs.30,000. On 1.1.2023, 1/3rd of the plant which was purchased on 1.4.2021 became obsolete and was sold for Rs.9,000. Show the Plant a/c when fixed instalment method is used as depreciation and the rate of depreciation is 10%.</p>	CO3	K3														
		CO3	K3														

14	<p>(a) From the following prepare a Receipts and Payments account.</p> <table border="1" data-bbox="422 208 1158 745"> <thead> <tr> <th>Particulars</th> <th>Amt. (Rs.)</th> </tr> </thead> <tbody> <tr> <td>Cash balance as on 1.1.2022</td> <td>1,750</td> </tr> <tr> <td>Bank balance as on 1.1.2022</td> <td>16,800</td> </tr> <tr> <td>Subscriptions received</td> <td>28,000</td> </tr> <tr> <td>Entrance fees collected</td> <td>10,500</td> </tr> <tr> <td>Donations</td> <td>3,500</td> </tr> <tr> <td>Salary</td> <td>10,500</td> </tr> <tr> <td>Rent paid</td> <td>4,200</td> </tr> <tr> <td>Furniture Purchased</td> <td>10,500</td> </tr> <tr> <td>Expenses on tournament</td> <td>3,500</td> </tr> <tr> <td>Printing and Stationery</td> <td>1,750</td> </tr> <tr> <td>Books</td> <td>4,200</td> </tr> <tr> <td>Miscellaneous expenses</td> <td>1,050</td> </tr> <tr> <td>Cash balance as on 21.12.2022</td> <td>2,800</td> </tr> </tbody> </table> <p style="text-align: center;">(Or)</p> <p>(b) From the following balances extracted from the books of M/s A & Co., for the year ended 31st March 2021, prepare Profit and Loss Account as on that date.</p> <table border="1" data-bbox="327 891 1321 1346"> <thead> <tr> <th>Particulars</th> <th>Amt.(Rs.)</th> <th>Particulars</th> <th>Amt.(Rs.)</th> </tr> </thead> <tbody> <tr> <td>Gross Profit</td> <td>1,01,000</td> <td>Discount (Dr)</td> <td>500</td> </tr> <tr> <td>Carriage outward</td> <td>2,500</td> <td>Internship Premium (Cr)</td> <td>1,500</td> </tr> <tr> <td>Salaries</td> <td>5,500</td> <td>Printing & Stationery</td> <td>250</td> </tr> <tr> <td>Rent</td> <td>4,100</td> <td>Rates and taxes</td> <td>350</td> </tr> <tr> <td>Fire insurance premium</td> <td>900</td> <td>Travelling expenses</td> <td>200</td> </tr> <tr> <td>Bad debts</td> <td>2,100</td> <td>Sundry trade expenses</td> <td>300</td> </tr> <tr> <td>Income tax paid</td> <td>3,500</td> <td>Rent received on sub-letting</td> <td>1,000</td> </tr> <tr> <td>Life Insurance premium</td> <td>3,000</td> <td></td> <td></td> </tr> </tbody> </table>	Particulars	Amt. (Rs.)	Cash balance as on 1.1.2022	1,750	Bank balance as on 1.1.2022	16,800	Subscriptions received	28,000	Entrance fees collected	10,500	Donations	3,500	Salary	10,500	Rent paid	4,200	Furniture Purchased	10,500	Expenses on tournament	3,500	Printing and Stationery	1,750	Books	4,200	Miscellaneous expenses	1,050	Cash balance as on 21.12.2022	2,800	Particulars	Amt.(Rs.)	Particulars	Amt.(Rs.)	Gross Profit	1,01,000	Discount (Dr)	500	Carriage outward	2,500	Internship Premium (Cr)	1,500	Salaries	5,500	Printing & Stationery	250	Rent	4,100	Rates and taxes	350	Fire insurance premium	900	Travelling expenses	200	Bad debts	2,100	Sundry trade expenses	300	Income tax paid	3,500	Rent received on sub-letting	1,000	Life Insurance premium	3,000			CO4	K4
Particulars	Amt. (Rs.)																																																																		
Cash balance as on 1.1.2022	1,750																																																																		
Bank balance as on 1.1.2022	16,800																																																																		
Subscriptions received	28,000																																																																		
Entrance fees collected	10,500																																																																		
Donations	3,500																																																																		
Salary	10,500																																																																		
Rent paid	4,200																																																																		
Furniture Purchased	10,500																																																																		
Expenses on tournament	3,500																																																																		
Printing and Stationery	1,750																																																																		
Books	4,200																																																																		
Miscellaneous expenses	1,050																																																																		
Cash balance as on 21.12.2022	2,800																																																																		
Particulars	Amt.(Rs.)	Particulars	Amt.(Rs.)																																																																
Gross Profit	1,01,000	Discount (Dr)	500																																																																
Carriage outward	2,500	Internship Premium (Cr)	1,500																																																																
Salaries	5,500	Printing & Stationery	250																																																																
Rent	4,100	Rates and taxes	350																																																																
Fire insurance premium	900	Travelling expenses	200																																																																
Bad debts	2,100	Sundry trade expenses	300																																																																
Income tax paid	3,500	Rent received on sub-letting	1,000																																																																
Life Insurance premium	3,000																																																																		
15	<p>(a) From the following particulars, prepare the Departmental Trading and Profit and Loss a/c for the year ended 30th June 2022.</p> <table border="1" data-bbox="373 1462 1289 1765"> <thead> <tr> <th>Particulars</th> <th>Department X (Rs)</th> <th>Department Y (Rs)</th> </tr> </thead> <tbody> <tr> <td>Stock (1.7.2021)</td> <td>9,000</td> <td>8,400</td> </tr> <tr> <td>Sales</td> <td>42,000</td> <td>36,000</td> </tr> <tr> <td>Purchases</td> <td>27,000</td> <td>21,600</td> </tr> <tr> <td>Direct expenses</td> <td>5,490</td> <td>8,520</td> </tr> <tr> <td>Postage</td> <td>360</td> <td>360</td> </tr> <tr> <td>Stock(30.6.2022)</td> <td>10,800</td> <td>4,800</td> </tr> </tbody> </table> <p>Indirect expenses for the entire business amounts to Rs. 3,900 to be divided in proportion to sales.</p> <p style="text-align: center;">(or)</p>	Particulars	Department X (Rs)	Department Y (Rs)	Stock (1.7.2021)	9,000	8,400	Sales	42,000	36,000	Purchases	27,000	21,600	Direct expenses	5,490	8,520	Postage	360	360	Stock(30.6.2022)	10,800	4,800	CO4	K4																																											
Particulars	Department X (Rs)	Department Y (Rs)																																																																	
Stock (1.7.2021)	9,000	8,400																																																																	
Sales	42,000	36,000																																																																	
Purchases	27,000	21,600																																																																	
Direct expenses	5,490	8,520																																																																	
Postage	360	360																																																																	
Stock(30.6.2022)	10,800	4,800																																																																	

15	<p>b) S brothers of Delhi opened a branch at Chennai on Jan 1, 2020. From the following prepare Chennai branch account in the books of Sincere Brothers for the year ending December 31,2020.</p> <table border="1" data-bbox="328 282 1305 734"> <thead> <tr> <th>Particulars</th> <th>Amt. (Rs)</th> </tr> </thead> <tbody> <tr> <td>Goods sent to Delhi branch</td> <td>1,00,000</td> </tr> <tr> <td>Expenses paid by the head office</td> <td></td> </tr> <tr> <td>Rent – Rs.1,200</td> <td></td> </tr> <tr> <td>Salaries – Rs.6,000</td> <td></td> </tr> <tr> <td>Advertisement – Rs. 600</td> <td>7,800</td> </tr> <tr> <td>Cash sales at branch</td> <td>1,20,000</td> </tr> <tr> <td>Expenses paid by the branch:</td> <td></td> </tr> <tr> <td>Carriage - Rs. 250</td> <td></td> </tr> <tr> <td>Petty expenses - Rs. 400</td> <td>650</td> </tr> <tr> <td>Stock on December 31</td> <td>30,000</td> </tr> <tr> <td>Petty Cash in hand</td> <td>200</td> </tr> </tbody> </table>	Particulars	Amt. (Rs)	Goods sent to Delhi branch	1,00,000	Expenses paid by the head office		Rent – Rs.1,200		Salaries – Rs.6,000		Advertisement – Rs. 600	7,800	Cash sales at branch	1,20,000	Expenses paid by the branch:		Carriage - Rs. 250		Petty expenses - Rs. 400	650	Stock on December 31	30,000	Petty Cash in hand	200	CO4	K4																																																								
Particulars	Amt. (Rs)																																																																																		
Goods sent to Delhi branch	1,00,000																																																																																		
Expenses paid by the head office																																																																																			
Rent – Rs.1,200																																																																																			
Salaries – Rs.6,000																																																																																			
Advertisement – Rs. 600	7,800																																																																																		
Cash sales at branch	1,20,000																																																																																		
Expenses paid by the branch:																																																																																			
Carriage - Rs. 250																																																																																			
Petty expenses - Rs. 400	650																																																																																		
Stock on December 31	30,000																																																																																		
Petty Cash in hand	200																																																																																		
Q. No.	SECTION D Answer any two questions: (2 x 15 = 30)	CO	KL																																																																																
16	<p>On 31st December 2021, the following Trial Balance was extracted from the books of Shri.</p> <table border="1" data-bbox="347 920 1326 1720"> <thead> <tr> <th>Debit Balances</th> <th>Rs.</th> <th>Credit Balances</th> <th>Rs.</th> </tr> </thead> <tbody> <tr> <td>Drawings</td> <td>3,000</td> <td>Capital</td> <td>28,000</td> </tr> <tr> <td>Sundry Debtors</td> <td>20,100</td> <td>Sundry Creditors</td> <td>10,401</td> </tr> <tr> <td>Interest on Loan</td> <td>300</td> <td>Loan on Mortgages</td> <td>9,500</td> </tr> <tr> <td>Cash in Hand</td> <td>2,050</td> <td>Bad debts Reserve</td> <td>710</td> </tr> <tr> <td>Stock on 1-1-2021</td> <td>6,839</td> <td>Sales</td> <td>1,10,243</td> </tr> <tr> <td>Motor Vehicles</td> <td>10,000</td> <td>Purchase Returns</td> <td>1,346</td> </tr> <tr> <td>Cash at Bank</td> <td>3,555</td> <td>Discounts</td> <td>540</td> </tr> <tr> <td>Land and Buildings</td> <td>12,000</td> <td>Bills payable</td> <td>2,614</td> </tr> <tr> <td>Bad Debts</td> <td>525</td> <td>Rent Received</td> <td>250</td> </tr> <tr> <td>Purchases</td> <td>66,458</td> <td></td> <td></td> </tr> <tr> <td>Sales Return</td> <td>7,821</td> <td></td> <td></td> </tr> <tr> <td>Carriage outward</td> <td>2,404</td> <td></td> <td></td> </tr> <tr> <td>Carriage inward</td> <td>2,929</td> <td></td> <td></td> </tr> <tr> <td>Salaries</td> <td>9,097</td> <td></td> <td></td> </tr> <tr> <td>Rates, Taxes and insurance</td> <td>2,891</td> <td></td> <td></td> </tr> <tr> <td>Advertising</td> <td>3,264</td> <td></td> <td></td> </tr> <tr> <td>General expenses</td> <td>3,489</td> <td></td> <td></td> </tr> <tr> <td>Bills Receivable</td> <td>6,882</td> <td></td> <td></td> </tr> <tr> <td>TOTAL</td> <td>1,63,604</td> <td>TOTAL</td> <td>1,63,604</td> </tr> </tbody> </table> <p>You are required to prepare Trading, Profit and Loss account for the year ended 31-12-2021 and Balance Sheet as on that date, after making the following adjustments:</p> <ol style="list-style-type: none"> Stock in hand on 31st December 2021 was valued at Rs.6,250. Depreciate Land and Building at 2.5% and Motor Vehicles at 20%. Interest on Loan at 6% p.a is unpaid for 6 months. 	Debit Balances	Rs.	Credit Balances	Rs.	Drawings	3,000	Capital	28,000	Sundry Debtors	20,100	Sundry Creditors	10,401	Interest on Loan	300	Loan on Mortgages	9,500	Cash in Hand	2,050	Bad debts Reserve	710	Stock on 1-1-2021	6,839	Sales	1,10,243	Motor Vehicles	10,000	Purchase Returns	1,346	Cash at Bank	3,555	Discounts	540	Land and Buildings	12,000	Bills payable	2,614	Bad Debts	525	Rent Received	250	Purchases	66,458			Sales Return	7,821			Carriage outward	2,404			Carriage inward	2,929			Salaries	9,097			Rates, Taxes and insurance	2,891			Advertising	3,264			General expenses	3,489			Bills Receivable	6,882			TOTAL	1,63,604	TOTAL	1,63,604	CO5	K5
Debit Balances	Rs.	Credit Balances	Rs.																																																																																
Drawings	3,000	Capital	28,000																																																																																
Sundry Debtors	20,100	Sundry Creditors	10,401																																																																																
Interest on Loan	300	Loan on Mortgages	9,500																																																																																
Cash in Hand	2,050	Bad debts Reserve	710																																																																																
Stock on 1-1-2021	6,839	Sales	1,10,243																																																																																
Motor Vehicles	10,000	Purchase Returns	1,346																																																																																
Cash at Bank	3,555	Discounts	540																																																																																
Land and Buildings	12,000	Bills payable	2,614																																																																																
Bad Debts	525	Rent Received	250																																																																																
Purchases	66,458																																																																																		
Sales Return	7,821																																																																																		
Carriage outward	2,404																																																																																		
Carriage inward	2,929																																																																																		
Salaries	9,097																																																																																		
Rates, Taxes and insurance	2,891																																																																																		
Advertising	3,264																																																																																		
General expenses	3,489																																																																																		
Bills Receivable	6,882																																																																																		
TOTAL	1,63,604	TOTAL	1,63,604																																																																																

	<p>d) Salaries amounting to Rs 750 and rates amounting to Rs 350 are outstanding.</p> <p>e) Prepaid insurance amounted to Rs 150.</p> <p>f) The provision for bad debts is to be maintained at 5% on Sundry Debtors.</p> <p>g) Goods costing Rs 500 were sent to a customer on sale or return for Rs 600 on 30th December 2021 and had been recorded in the books as actual sales.</p> <p>Provide for Manager's commission at 10% on net profits after charging such commission.</p>																																						
17	<p>H & Co., have a branch at Hyderabad and send goods at cost plus 25%. Prepare (a) Branch Stock a/c (b) Branch expense a/c (c) Branch adjustment a/c (d) Branch Profit and loss a/c</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Amt.(Rs)</th> </tr> </thead> <tbody> <tr> <td>Opening stock at branch at its cost</td> <td>12,500</td> </tr> <tr> <td>Closing stock at branch at its cost</td> <td>15,000</td> </tr> <tr> <td>Goods sent to branch at invoice price</td> <td>50,000</td> </tr> <tr> <td>Loss in transit at invoice price</td> <td>6,250</td> </tr> <tr> <td>Theft in transit at invoice price</td> <td>2,500</td> </tr> <tr> <td>Loss in weight(normal) at invoice price</td> <td>1,250</td> </tr> <tr> <td>Sales</td> <td>63,750</td> </tr> <tr> <td>Expenses</td> <td>20,000</td> </tr> <tr> <td>Claim received from insurance company for loss in transit</td> <td>5,000</td> </tr> </tbody> </table>	Particulars	Amt.(Rs)	Opening stock at branch at its cost	12,500	Closing stock at branch at its cost	15,000	Goods sent to branch at invoice price	50,000	Loss in transit at invoice price	6,250	Theft in transit at invoice price	2,500	Loss in weight(normal) at invoice price	1,250	Sales	63,750	Expenses	20,000	Claim received from insurance company for loss in transit	5,000	CO5	K5																
Particulars	Amt.(Rs)																																						
Opening stock at branch at its cost	12,500																																						
Closing stock at branch at its cost	15,000																																						
Goods sent to branch at invoice price	50,000																																						
Loss in transit at invoice price	6,250																																						
Theft in transit at invoice price	2,500																																						
Loss in weight(normal) at invoice price	1,250																																						
Sales	63,750																																						
Expenses	20,000																																						
Claim received from insurance company for loss in transit	5,000																																						
18	<p>From the following prepare an Income and Expenditure account and the Balance sheet of a club for the year ended 31.12.2021.</p> <p style="text-align: center;">Summary of Cash Book</p> <table border="1"> <thead> <tr> <th>Receipts</th> <th>Amt(Rs)</th> <th>Payments</th> <th>Amt(Rs)</th> </tr> </thead> <tbody> <tr> <td>To balance b/d</td> <td>2,350</td> <td>By salaries</td> <td>1,200</td> </tr> <tr> <td>To Entrance fees</td> <td>300</td> <td>By electricity</td> <td>120</td> </tr> <tr> <td>To Subscriptions 2019 - Rs 50 2020 - Rs 3500 2021 - Rs 75</td> <td>3,625</td> <td>By Journals</td> <td>525</td> </tr> <tr> <td>To profit from refreshments</td> <td>100</td> <td>By fixed deposits</td> <td>2,500</td> </tr> <tr> <td>To Locker rent</td> <td>200</td> <td>By utensils</td> <td>200</td> </tr> <tr> <td>To Sundry income</td> <td>120</td> <td>By payment to creditors</td> <td>1,000</td> </tr> <tr> <td></td> <td></td> <td>By balance c/d</td> <td>1,150</td> </tr> <tr> <td></td> <td>6,695</td> <td></td> <td>6,695</td> </tr> </tbody> </table> <p>The assets and liabilities on 1.1.2021 were Utensils – Rs.800, Furniture – Rs.2500, Consumable Stores – Rs 350, Creditors – Rs 1200. On 31.12.2021, value of consumable stores was Rs.700. Creditors Rs.550, the subscription outstanding were Rs.75 and interest accrued on fixed deposit was Rs 25.</p>	Receipts	Amt(Rs)	Payments	Amt(Rs)	To balance b/d	2,350	By salaries	1,200	To Entrance fees	300	By electricity	120	To Subscriptions 2019 - Rs 50 2020 - Rs 3500 2021 - Rs 75	3,625	By Journals	525	To profit from refreshments	100	By fixed deposits	2,500	To Locker rent	200	By utensils	200	To Sundry income	120	By payment to creditors	1,000			By balance c/d	1,150		6,695		6,695	CO5	K5
Receipts	Amt(Rs)	Payments	Amt(Rs)																																				
To balance b/d	2,350	By salaries	1,200																																				
To Entrance fees	300	By electricity	120																																				
To Subscriptions 2019 - Rs 50 2020 - Rs 3500 2021 - Rs 75	3,625	By Journals	525																																				
To profit from refreshments	100	By fixed deposits	2,500																																				
To Locker rent	200	By utensils	200																																				
To Sundry income	120	By payment to creditors	1,000																																				
		By balance c/d	1,150																																				
	6,695		6,695																																				