

| | |
|------------|----------|
| SET | A |
|------------|----------|

**INDIAN SCHOOL MUSCAT
HALF YEARLY EXAMINATION 2023
ACCOUNTANCY (CODE NO.055)**

CLASS:XI

Max.Marks: 80

| MARKING SCHEME | | | |
|----------------|-------|---|-------------------|
| SET | QN.NO | VALUE POINTS | MARKS SPLIT UP |
| A | 1 | (a) Increase the asset and liability | 1 |
| A | 2 | (a) Both (A) and (R) are correct and (R) is the correct explanation of (A). | 1 |
| A | 3 | (d) ₹ 180 OR (c) Sales A/c | 1 |
| A | 4 | (b) Purchases A/c ₹ 10,000 | 1 |
| A | 5 | (c) Matching Concept | 1 |
| A | 6 | (c) In chronological order OR (d) More than one debit or credit items | 1 |
| A | 7 | (a) Going Concern Assumption OR (c) Cost or market price whichever is less | 1 |
| A | 8 | (c) Cash Book - Bank Column as - By Purchases A/c | 1 |
| A | 9 | (c) Deferred Revenue Expenditure OR (b) Financial position | 1 |
| A | 10 | (b) Source Documents | 1 |
| A | 11 | (a) Debit | 1 |
| A | 12 | (c) Computer OR (a) Debtor | 1 |
| A | 13 | (b) Plant & Machinery A/c | 1 |
| A | 14 | (c) Appreciation of staff | 1 |
| A | 15 | (c) Both (a) and (b) | 1 |
| A | 16 | (a) Salary, Outstanding Salary | 1 |
| A | 17 | (c) Communication of information OR (b) Cash and bank transactions | 1 |

| A | 18 | (c) Withdrew cash from bank for office use | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|----------------|--------------|--|---------------------|----------------|---------------------|------|-----------------|-------------|------|---|----------------|--------------|--|----------|----------------|---------------------|--|--------|--|--|--|--|--------|-------------|--|--------|--|--|--|--|--------|-------------|--|--------|--|--|--|--|--------|-------------|--|------|--|--|--|--|--------|-----------------|--|-----|--|--|--|-----------------|--|--|--|-----------------|--|--|--|--|--|--|--|--|------------|
| A | 19 | (d) Comparability | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A | 20 | (b) Real A/c OR (a) Personal A/c | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A | 21 | <p>a)The company has violated the principle of full disclosure.</p> <p>b)Loss of Plant and Machinery is material information and should have been disclosed. The full disclosure principle requires that financial statements make complete, adequate and fair disclosure of all information which is relevant and significant to the users of accounting service viz investors, lenders, creditors, researchers, government and regulatory agencies.</p> <p style="text-align: center;">OR</p> <p>a)Mr. Gupta has violated the principle of Historical cost or Cost Concept.</p> <p>b) Mr. Gupta not correct because he has purchased a fixed asset by paying ₹15,00,000. The Cost Concept of Accounting holds that an asset should be recorded in the books at the price paid.</p> <p>According to cost concept, assets are recorded in the books of accounts at their purchase price which includes cost of purchase, transportation, installation and for making the asset ready to use.</p> <p>It is also called as historical cost as it is the cost of the asset that has been paid for its acquisition and it does not change year after year despite the change in its market price due to price level change. In real practice, historical cost does not mean that asset will continue to be shown in the balance sheet of several years at its cost of purchase price. It will be reduced year after year by charging depreciation based on the useful life of that asset. Thus, the asset is shown in the balance sheet at its book value (i.e., cost less depreciation).</p> | 1+2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A | 22 | <p>A. i) Capital = ₹ 2,00,000 ii) Fixed Asset = ₹10,000 iii) Debtor = ₹20,000</p> <p style="text-align: center;">OR</p> <p>B. i) Fixed Asset = ₹50,000 ii) Debtor = ₹70,000 iii) Creditor = ₹30,000</p> | 1+1+1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A | 23 | <p style="text-align: center;">Ashish's A/c</p> <table><tr><th>Date</th><th>Particulars</th><th>J.F.</th><th>₹</th><th>Date</th><th>Particulars</th><th>J.F.</th><th>₹</th></tr><tr><td>2023 Apr 01</td><td>To Sales A/c</td><td></td><td>1,00,000</td><td>2023 Apr 03</td><td>By Sales Return A/c</td><td></td><td>50,000</td></tr><tr><td></td><td></td><td></td><td></td><td>Apr 05</td><td>By Cash A/c</td><td></td><td>30,000</td></tr><tr><td></td><td></td><td></td><td></td><td>Apr 07</td><td>By Bank A/c</td><td></td><td>10,000</td></tr><tr><td></td><td></td><td></td><td></td><td>Apr 10</td><td>By Cash A/c</td><td></td><td>9500</td></tr><tr><td></td><td></td><td></td><td></td><td>Apr 10</td><td>By Baddebts A/c</td><td></td><td>500</td></tr><tr><td></td><td></td><td></td><td><u>1,00,000</u></td><td></td><td></td><td></td><td><u>1,00,000</u></td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table> | Date | Particulars | J.F. | ₹ | Date | Particulars | J.F. | ₹ | 2023 Apr 01 | To Sales A/c | | 1,00,000 | 2023 Apr 03 | By Sales Return A/c | | 50,000 | | | | | Apr 05 | By Cash A/c | | 30,000 | | | | | Apr 07 | By Bank A/c | | 10,000 | | | | | Apr 10 | By Cash A/c | | 9500 | | | | | Apr 10 | By Baddebts A/c | | 500 | | | | <u>1,00,000</u> | | | | <u>1,00,000</u> | | | | | | | | | 1/2 x 6= 3 |
| Date | Particulars | J.F. | ₹ | Date | Particulars | J.F. | ₹ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2023 Apr 01 | To Sales A/c | | 1,00,000 | 2023 Apr 03 | By Sales Return A/c | | 50,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Apr 05 | By Cash A/c | | 30,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Apr 07 | By Bank A/c | | 10,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Apr 10 | By Cash A/c | | 9500 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Apr 10 | By Baddebts A/c | | 500 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | <u>1,00,000</u> | | | | <u>1,00,000</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A | 24 | <p>We know that :-</p> <p>Capital + Liabilities = Total Assets</p> <p>Capital + 30,000 = ₹ 95,000</p> <p>Closing Capital = 95,000 - 30,000= ₹65,000</p> | $1^{1/2} + 1^{1/2}$ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---------------|---|---|----------------------------|---------------|-------|-------------|---------------|-------------|---|--|--------------|-------|--------|---|--|----------------|-------|-------|---|--|----------------------|-------|--|---------|--|----------------------------|-------|--|----------|--|----------------------------|-----|--|----------|--|----------------------------|-----|--|----------|--|--------------------------|-----|--|----------|--|-------------------------|-------|--|----------|--|----------------|-------|---------------|--|--|--|---------------|--------|-------|--|----------------|--|-------|-------|--|-------------|--|--|--|--|--|---------------|--|--|--|--|-------------|
| | | Profit = Closing Capital - Opening Capital Profit 65,000- 50,000= ₹15,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A | 25 | 1. Personal Account 2. Personal Account 3. Real Account 4. Nominal Account 5. Nominal Account 6. Real Account | | | | | | 1/2 x 6 = 3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A | 26 | <table><tr><td>Date</td><td>Particulars</td><td>L.F.</td><td>Dr. (₹)</td><td>Cr. (₹)</td></tr><tr><td>(i)</td><td>Cash A/c Dr. Baddebts A/c Dr. To Kamal's A/c (Being Received 70 paisa in a rupee from Kamal on his insolvency)</td><td></td><td>1,400 600</td><td>2,000</td></tr><tr><td>(ii)</td><td>Drawings A/c Dr. Loss by theft A/c Dr. To Purchases A/c (Being goods withdrawn for personal use and loss by theft)</td><td></td><td>5,000 2,000</td><td>7,000</td></tr><tr><td>(iii)</td><td>Cash A/c Dr. To Baddebts Recovered A/c (Being Baddebts Recovered)</td><td></td><td>500</td><td>500</td></tr></table> | Date | Particulars | L.F. | Dr. (₹) | Cr. (₹) | (i) | Cash A/c Dr. Baddebts A/c Dr. To Kamal's A/c (Being Received 70 paisa in a rupee from Kamal on his insolvency) | | 1,400 600 | 2,000 | (ii) | Drawings A/c Dr. Loss by theft A/c Dr. To Purchases A/c (Being goods withdrawn for personal use and loss by theft) | | 5,000 2,000 | 7,000 | (iii) | Cash A/c Dr. To Baddebts Recovered A/c (Being Baddebts Recovered) | | 500 | 500 | | | | | 1+1+1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Date | Particulars | L.F. | Dr. (₹) | Cr. (₹) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (i) | Cash A/c Dr. Baddebts A/c Dr. To Kamal's A/c (Being Received 70 paisa in a rupee from Kamal on his insolvency) | | 1,400 600 | 2,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (ii) | Drawings A/c Dr. Loss by theft A/c Dr. To Purchases A/c (Being goods withdrawn for personal use and loss by theft) | | 5,000 2,000 | 7,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (iii) | Cash A/c Dr. To Baddebts Recovered A/c (Being Baddebts Recovered) | | 500 | 500 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A | 27 | <table><tr><td>Receipts</td><td>Date</td><td>V.No.</td><td>Particulars</td><td>Total Payment</td></tr><tr><td></td><td>2023</td><td></td><td></td><td></td></tr><tr><td>20,000</td><td>April 1</td><td></td><td>To Cash A/c</td><td></td></tr><tr><td></td><td>April 5</td><td></td><td>By Postage (Postage)</td><td>2,000</td></tr><tr><td></td><td>April 7</td><td></td><td>By Stationary (Stationary)</td><td>1,000</td></tr><tr><td></td><td>April 16</td><td></td><td>By Conveyance (Conveyance)</td><td>800</td></tr><tr><td></td><td>April 20</td><td></td><td>By Travelling (Conveyance)</td><td>600</td></tr><tr><td></td><td>April 25</td><td></td><td>By Courier A/c (Postage)</td><td>800</td></tr><tr><td></td><td>April 30</td><td></td><td>By Wages A/c (Sundries)</td><td>3,000</td></tr><tr><td></td><td>April 30</td><td></td><td>By Balance c/d</td><td>8,200</td></tr><tr><td><u>20,000</u></td><td></td><td></td><td></td><td><u>11,800</u></td></tr><tr><td>11,800</td><td>May 1</td><td></td><td>To Balance b/d</td><td></td></tr><tr><td>8,200</td><td>May 1</td><td></td><td>To Cash A/c</td><td></td></tr><tr><td></td><td></td><td></td><td></td><td><u>20,000</u></td></tr></table> | Receipts | Date | V.No. | Particulars | Total Payment | | 2023 | | | | 20,000 | April 1 | | To Cash A/c | | | April 5 | | By Postage (Postage) | 2,000 | | April 7 | | By Stationary (Stationary) | 1,000 | | April 16 | | By Conveyance (Conveyance) | 800 | | April 20 | | By Travelling (Conveyance) | 600 | | April 25 | | By Courier A/c (Postage) | 800 | | April 30 | | By Wages A/c (Sundries) | 3,000 | | April 30 | | By Balance c/d | 8,200 | <u>20,000</u> | | | | <u>11,800</u> | 11,800 | May 1 | | To Balance b/d | | 8,200 | May 1 | | To Cash A/c | | | | | | <u>20,000</u> | | | | | 1/2 x 8 = 4 |
| Receipts | Date | V.No. | Particulars | Total Payment | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 2023 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 20,000 | April 1 | | To Cash A/c | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | April 5 | | By Postage (Postage) | 2,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | April 7 | | By Stationary (Stationary) | 1,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | April 16 | | By Conveyance (Conveyance) | 800 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | April 20 | | By Travelling (Conveyance) | 600 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | April 25 | | By Courier A/c (Postage) | 800 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | April 30 | | By Wages A/c (Sundries) | 3,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | April 30 | | By Balance c/d | 8,200 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <u>20,000</u> | | | | <u>11,800</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11,800 | May 1 | | To Balance b/d | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8,200 | May 1 | | To Cash A/c | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | <u>20,000</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A | 28 | A.1.Reliability 2.Relevance 3.Understandability 4. Comparability OR B. 1.Maintaining Accounting Records 2.Determining Profit or Loss 3.Determining Financial Position | | | | | | 1+1+1+1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | 4. Facilitating Management | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--------|--|--|-------------------|------------|------------------|--|-------------------------|--------------------|--|--------|--------------|--------|---|------|-------------|-----------------------|---|------|---------|-------------------|------------|------|--------------|-------------------------|--------------|--------|-------------------------------------|--------|-------|--------|------------------|--|-------|--------|----------------|--|--------|--------|--------------|---|-------|--------|--------------|------|----------------------------|---------|---------------|--|-------|--|--|--|--|--------|-------------|-----|------------|---|--|--|--------|--------|---|---------|-------|-------|---|-------|--------|--|--|--|--------|--------|----------------|---|-------|--|--|--|--|-------------|-----|-------|---|-------|--|--------|------|---|-------|--|---------|--|--|--|----------------|--|--|--------|-----|-------|---|-------|--|--------|-----|--|-------|--|--|---|--|--|------------------|--|--|--|--|--|--|--|-----|------------------|--|--|--------|-----|-------|---|-------|-------|--------|------|---|---------|--|--|---|--|--|--------------------|--|-------|-------|-------|---------|---|-------|-------|--------|-------|
| A | 29 | <div>Simple Cash Book</div> <table><tr><th>Date</th><th>Particulars</th><th>L.F.</th><th>₹</th><th>Date</th><th>Particulars</th><th>L.F.</th><th>₹</th></tr><tr><td>2023</td><td></td><td></td><td></td><td>2021</td><td></td><td></td><td></td></tr><tr><td>Jan 01</td><td>To Balance b/d</td><td></td><td>8,000</td><td>Jan 03</td><td>By Purchases A/c</td><td></td><td>2,000</td></tr><tr><td>Jan 05</td><td>To Mohan's A/c</td><td></td><td>1,500</td><td>Jan 09</td><td>By Ram's A/c</td><td></td><td>3,000</td></tr><tr><td>Jan 07</td><td>To Sales A/c</td><td></td><td>2,200</td><td>Jan 11.</td><td>By Salary A/c</td><td></td><td>3,400</td></tr><tr><td></td><td></td><td></td><td></td><td>Jan 31</td><td>By Bank A/c</td><td></td><td>1300(B.f.)</td></tr><tr><td></td><td></td><td></td><td></td><td>Jan 31</td><td>By Balance c/d</td><td></td><td>2,000</td></tr><tr><td></td><td></td><td></td><td>11,700</td><td></td><td></td><td></td><td>11,700</td></tr><tr><td>Feb 01</td><td>To Balance b/d</td><td></td><td>2,000</td><td></td><td></td><td></td><td></td></tr></table> | | | | | | | | Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ | 2023 | | | | 2021 | | | | Jan 01 | To Balance b/d | | 8,000 | Jan 03 | By Purchases A/c | | 2,000 | Jan 05 | To Mohan's A/c | | 1,500 | Jan 09 | By Ram's A/c | | 3,000 | Jan 07 | To Sales A/c | | 2,200 | Jan 11. | By Salary A/c | | 3,400 | | | | | Jan 31 | By Bank A/c | | 1300(B.f.) | | | | | Jan 31 | By Balance c/d | | 2,000 | | | | 11,700 | | | | 11,700 | Feb 01 | To Balance b/d | | 2,000 | | | | | 1/2 x 8 = 4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2023 | | | | 2021 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jan 01 | To Balance b/d | | 8,000 | Jan 03 | By Purchases A/c | | 2,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jan 05 | To Mohan's A/c | | 1,500 | Jan 09 | By Ram's A/c | | 3,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jan 07 | To Sales A/c | | 2,200 | Jan 11. | By Salary A/c | | 3,400 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Jan 31 | By Bank A/c | | 1300(B.f.) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Jan 31 | By Balance c/d | | 2,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | 11,700 | | | | 11,700 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Feb 01 | To Balance b/d | | 2,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A | 30 | <table><tr><th rowspan="2">S. No.</th><th rowspan="2">Transactions</th><th colspan="3">Assets</th><th>=</th><th colspan="3">Liabilities + Capital</th></tr><tr><th>Cash ₹.</th><th>+ Prepaid Rent ₹.</th><th>+ Stock ₹.</th><th>=</th><th>Creditors ₹.</th><th>+ Outstanding Salary ₹.</th><th>+ Capital ₹.</th></tr><tr><td>(i)</td><td>Started business with cash ₹.10,000</td><td>10,000</td><td></td><td></td><td></td><td></td><td></td><td>10,000</td></tr><tr><td></td><td></td><td>10,000</td><td></td><td></td><td>=</td><td></td><td></td><td>10,000</td></tr><tr><td>(ii)</td><td>Paid rent in advance ₹.300</td><td>(300)</td><td>300</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td>9,700</td><td>300</td><td></td><td>=</td><td></td><td></td><td>10,000</td></tr><tr><td>(iii)</td><td>Purchased goods for cash ₹.5,000 and credit ₹.2,000</td><td>(5,000)</td><td></td><td>5,000</td><td>=</td><td>2,000</td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td><td>2,000</td><td>=</td><td></td><td></td><td></td></tr><tr><td></td><td></td><td>4,700</td><td>300</td><td>7,000</td><td>=</td><td>2,000</td><td></td><td>10,000</td></tr><tr><td>(iv)</td><td>Sold goods for cash ₹.8,000 costing ₹.4,000</td><td>8,000</td><td></td><td>(4,000)</td><td></td><td></td><td></td><td>4,000 (Profit)</td></tr><tr><td></td><td></td><td>12,700</td><td>300</td><td>3,000</td><td>=</td><td>2,000</td><td></td><td>14,000</td></tr><tr><td>(v)</td><td>Paid salary ₹.450 and salary outstanding being ₹.100</td><td>(450)</td><td></td><td></td><td>=</td><td></td><td></td><td>(450) (Expenses)</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>100</td><td>(100) (Expenses)</td></tr><tr><td></td><td></td><td>12,250</td><td>300</td><td>3,000</td><td>=</td><td>2,000</td><td>+ 100</td><td>13,450</td></tr><tr><td>(vi)</td><td>Brought motorcycle for personal use ₹.3,000</td><td>(3,000)</td><td></td><td></td><td>=</td><td></td><td></td><td>(3,000) (Drawings)</td></tr><tr><td></td><td>Total</td><td>9,250</td><td>+ 300</td><td>+ 3,000</td><td>=</td><td>2,000</td><td>+ 100</td><td>10,450</td></tr></table> | | | | | | | | S. No. | Transactions | Assets | | | = | Liabilities + Capital | | | Cash ₹. | + Prepaid Rent ₹. | + Stock ₹. | = | Creditors ₹. | + Outstanding Salary ₹. | + Capital ₹. | (i) | Started business with cash ₹.10,000 | 10,000 | | | | | | 10,000 | | | 10,000 | | | = | | | 10,000 | (ii) | Paid rent in advance ₹.300 | (300) | 300 | | | | | | | | 9,700 | 300 | | = | | | 10,000 | (iii) | Purchased goods for cash ₹.5,000 and credit ₹.2,000 | (5,000) | | 5,000 | = | 2,000 | | | | | | | 2,000 | = | | | | | | 4,700 | 300 | 7,000 | = | 2,000 | | 10,000 | (iv) | Sold goods for cash ₹.8,000 costing ₹.4,000 | 8,000 | | (4,000) | | | | 4,000 (Profit) | | | 12,700 | 300 | 3,000 | = | 2,000 | | 14,000 | (v) | Paid salary ₹.450 and salary outstanding being ₹.100 | (450) | | | = | | | (450) (Expenses) | | | | | | | | 100 | (100) (Expenses) | | | 12,250 | 300 | 3,000 | = | 2,000 | + 100 | 13,450 | (vi) | Brought motorcycle for personal use ₹.3,000 | (3,000) | | | = | | | (3,000) (Drawings) | | Total | 9,250 | + 300 | + 3,000 | = | 2,000 | + 100 | 10,450 | 1x6=6 |
| S. No. | Transactions | Assets | | | = | Liabilities + Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Cash ₹. | + Prepaid Rent ₹. | + Stock ₹. | = | Creditors ₹. | + Outstanding Salary ₹. | + Capital ₹. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (i) | Started business with cash ₹.10,000 | 10,000 | | | | | | 10,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 10,000 | | | = | | | 10,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (ii) | Paid rent in advance ₹.300 | (300) | 300 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 9,700 | 300 | | = | | | 10,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (iii) | Purchased goods for cash ₹.5,000 and credit ₹.2,000 | (5,000) | | 5,000 | = | 2,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 2,000 | = | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 4,700 | 300 | 7,000 | = | 2,000 | | 10,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (iv) | Sold goods for cash ₹.8,000 costing ₹.4,000 | 8,000 | | (4,000) | | | | 4,000 (Profit) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 12,700 | 300 | 3,000 | = | 2,000 | | 14,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (v) | Paid salary ₹.450 and salary outstanding being ₹.100 | (450) | | | = | | | (450) (Expenses) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | 100 | (100) (Expenses) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 12,250 | 300 | 3,000 | = | 2,000 | + 100 | 13,450 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (vi) | Brought motorcycle for personal use ₹.3,000 | (3,000) | | | = | | | (3,000) (Drawings) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Total | 9,250 | + 300 | + 3,000 | = | 2,000 | + 100 | 10,450 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A | 31 A/B | Cash Basis Accounting | | | | Accrual Basis Accounting | | | | 3+3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | A cash basis accounting revenue is recognized as soon as the company receives the revenue. | | | | The revenue of an accrual basis accounting is recognized as soon as the company earns the revenue. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | The expense of cash basis accounting is recognized as soon as the company's expenses get | | | | The expense of an accrual basis accounting is recognized as soon as the company's expenses get billed. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | | |
|--|--|---|--|
| | paid. | | |
| | Taxes in a Cash Basis Accounting are not applied to the cash that has not been received | Tax is applied and paid even on the money that is owed | |
| | The cash basis accounting is very simple and straightforward, but it is not that well known | The accrual basis of accounting is a little complex, but this accounting system is widely used | |
| | Small service-based businesses and non-profit organizations use this type of accounting | This type of accounting system is used by public companies, corporations, and businesses and audited financial statements | |
| | It is not recognised by the Companies Act,2013 | It is recognised by the Companies Act,2013 | |
| | Adjustments such as Prepaid Expenses, Outstanding Expenses, Accrued Income and Unearned Income are not made. | Adjustments such as Prepaid Expenses, Outstanding Expenses, Accrued Income and Unearned Income are made. | |
| | Doesn't Recognises correct Profit or Loss as all cash and credit transactions are not recorded. | Recognises correct Profit or Loss as all cash and credit transactions are recorded. | |

OR

I. Internal Users : Internal users contain persons who are directly connected with the operation and management of the business entity. Thus, they include management (i.e., directors, officers etc. and sole proprietor's or partners).

(i) Management : Management requires accounting information for the smooth and efficient functioning of the enterprise. They need frequent information with regard to cost price, selling price. They produce annual reports of the entity containing :

(i) Trading and Profit and Loss Account

(ii) Balance Sheet

(iii) Cash Flow Statement

(ii) Shareholders / Proprietors : The owners of Company i.e., shareholders are interested in knowing about regularity of adequate return on their invested capital in the short run and safety of their capital in the long run. To meet these objectives, they require accounting information. They are also

1X6=6

| | | <p>interested in knowing whether the profits are increasing or decreasing, probable reason for this change. Should they continue to remain with their investment. If they are not satisfied with the performance of the company, they may sell their shares and buy the shares of a company where prospects are better.</p> <p>(iii) Employees : The employees of a firm are also interested in the accounting information to assess the ability of the entity to pay higher and regular wages payments, payment of bonus, regularity in depositing amount of provident fund of workers. If the firm is earning huge profits, there are chances of opening a new branch. Thus, possibility of promotion of worker is also there.</p> <p>II. External Users : All other users of accounting service except the management fall under the category of external end users. The management provides published information to all the external end users while it uses both published and unpublished information for the efficient conduct of managerial decisions. Thus, analysis of the management is more detailed and extensive. External end users include :</p> <p>(i) Potential Investors: Making investment involves risk. The investors have no control on the preparation of accounting information so they rely on the information provided to them in the form of published information. They should try to evaluate the earning prospects of the company and safety of their investment.</p> <p>(ii) Bankers and Financial Institutions : They provide long term need and term loan (medium term loan) need of the business entity so they make financial appraisal of the entity to know the repayment capacity of loan of the entity and regularity of interest payment on loan. Thus, they need accounting information to meet their objectives.</p> <p>(iii) Researchers : Researchers also require accounting information for their research work to make inter-firm and intra-firm (comparisons of same firm with the past), to know the operating performance and financial soundness of the business entity.</p> <p>(iv) Public: Public is interested in knowing the growth potential of business entity. Only prosperous entity will provide job employment opportunities to the public. Public also uses the products manufactured by the firm. Financial accounting provides such information to the public. Public is also interested in knowing about the corporate social responsibilities. All this information is derived from the accounting information.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|-------------------------|-------------|--|-------------------------|--------|------|-------------|------|------|--------|--|--|--|------|-------------|------|------|------|------|-------------|------|------|------|------|--|--|--|--|------|--|--|--|--|-----|-------------|--|--------|--------|-----|------------|--|--|--------|-----|----------|--|-------|-------|-----|----------|---|--|--------|--|
| A | 32 | <table><tr><th colspan="10">Double Column Cash Book</th></tr><tr><th>Date</th><th>Particulars</th><th>L.F.</th><th>Cash</th><th>Bank</th><th>Date</th><th>Particulars</th><th>L.F.</th><th>Cash</th><th>Bank</th></tr><tr><td>2023</td><td></td><td></td><td></td><td></td><td>2023</td><td></td><td></td><td></td><td></td></tr><tr><td>M 1</td><td>Balance b/d</td><td></td><td>12,750</td><td>72,400</td><td>M 7</td><td>Salary A/c</td><td></td><td></td><td>25,600</td></tr><tr><td>M 4</td><td>Asha A/c</td><td></td><td>1,200</td><td>3,200</td><td>M 9</td><td>Cash A/c</td><td>C</td><td></td><td>21,900</td></tr></table> | Double Column Cash Book | | | | | | | | | | Date | Particulars | L.F. | Cash | Bank | Date | Particulars | L.F. | Cash | Bank | 2023 | | | | | 2023 | | | | | M 1 | Balance b/d | | 12,750 | 72,400 | M 7 | Salary A/c | | | 25,600 | M 4 | Asha A/c | | 1,200 | 3,200 | M 9 | Cash A/c | C | | 21,900 | |
| Double Column Cash Book | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Date | Particulars | L.F. | Cash | Bank | Date | Particulars | L.F. | Cash | Bank | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2023 | | | | | 2023 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| M 1 | Balance b/d | | 12,750 | 72,400 | M 7 | Salary A/c | | | 25,600 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| M 4 | Asha A/c | | 1,200 | 3,200 | M 9 | Cash A/c | C | | 21,900 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | | | | | | | | | | | |
|--|--|------|--------------|---|---------------|--------------|------|---------------|---|---------------|---------------|--|
| | | M 9 | Bank A/c | C | 21,900 | | M 16 | Furniture A/c | | 16,500 | | |
| | | M 12 | Bank Int A/c | | | 1,200 | M 21 | Mohan and Co. | | | 10,900 | |
| | | M 29 | Sales A/c | | 14,800 | | M 24 | Drawings A/c | | 11,600 | | |
| | | M 31 | Cash A/c | C | 21,200 | | M 31 | Bank A/c | C | 21,200 | | |
| | | | | | | | M 31 | Balance c/d | | 1,350 | 39,600 | |
| | | | | | <u>50,650</u> | <u>98000</u> | | | | <u>50,650</u> | <u>98,000</u> | |

| | | | | | | | | |
|---|--------|-------|--|-------------------|----------------------------|-----------------|--------|-------|
| A | 33 A/B | Date | Particulars | L.F. | Dr. (₹) | Cr. (₹) | 1x6 =6 | |
| | | 2023 | | | | | | |
| | | Jan 1 | Cash A/c Stock A/c Furniture A/c To Capital A/c (Being Business Started) | Dr. Dr. Dr. | 80,000 30,000 40,000 | 1,50,000 | | |
| | | Jan 3 | Purchases A/c To Arun's A/c (Being goods purchased) | Dr. | 20,000 | 20,000 | | |
| | | Jan 5 | Arun's A/c To Purchases Return A/c (Being goods returned to Amit) | Dr. | 1,600 | 1,600 | | |
| | | Jan 7 | Arun's A/c To Cash A/c To Discount Received A/c (Being cash paid and discount received) | Dr. | 18,400 | 17,664 736 | | |
| | | Jan10 | Raj's A/c To Sales A/c (Being goods sold to Raj) | Dr. | 25,500 | 25,500 | | |
| | | Jan13 | Sales Return A/c To Raj's A/c (Being goods returned by Raj) | Dr. | 1,700 | 1,700 | | |
| | | OR | | | | | | |
| | | Date | Particulars | L.F. | Dr. (₹) | Cr. (₹) | | 2x3=6 |
| | | (i) | Purchases A/c To Cash a/c To Discount Received A/c (Being Goods Brought from Goel Agencies) | Dr. | 18,000 | 16,200 1,800 | | |
| | | (ii) | Mohan's A/c Bank A/c Discount allowed A/c To Sales A/c (Sold goods to Mohan and received half payment immediately) | Dr. Dr. Dr. | 13,500 12,825 675 | 27,000 | | |

| | | | | | | | | | |
|-----------------------|----|-----------------|---|--------------------------|--------------------------------------|------------------|-------------------------|------|---------------|
| | | (iii) | Purchases A/c To Bank a/c To Discount Received A/c To Super Store A/c (Being Goods Brought from Super Store and made 30% payment immediately) | Dr. | | 45,000 | 13,230 270 31,500 | | |
| A | 34 | Date | Particulars | L.F. | Dr. (₹) | Cr. (₹) | 3+3 | | |
| | | 2023 April 1 | Cash A/c Sundry Debtors A/c Stock A/c Land and Building A/c To Sundry Creditors A/c To Capital A/c (Bal.Fig.) | Dr. Dr. Dr. Dr. | 20,000 60,000 20,000 80,000 | 90,000 90,000 | | | |
| Ledger Accounts :- | | | | | | | | | |
| Cash A/c | | | | | | | | | |
| | | Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ |
| | | 2023 April 1 | To Bal b/d | | <u>20,000</u> | 2023 April 30 | By Bal c/d | | <u>20,000</u> |
| | | May 1 | To Bal b/d | | 20,000 | | | | |
| Sundry Debtors A/c | | | | | | | | | |
| | | Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ |
| | | 2023 April 1 | To Bal b/d | | <u>60,000</u> | 2023 April 30 | By Bal c/d | | <u>60,000</u> |
| | | May 1 | To Bal b/d | | 60,000 | | | | |
| Stock A/c | | | | | | | | | |
| | | Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ |
| | | 2023 April 1 | To Bal b/d | | <u>20,000</u> | 2023 April 30 | By Bal c/d | | <u>20,000</u> |
| | | May 1 | To Bal b/d | | 20,000 | | | | |
| Land and Building A/c | | | | | | | | | |
| | | Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ |
| | | 2023 April 1 | To Bal b/d | | <u>80,000</u> | 2023 April 30 | By Bal c/d | | <u>80,000</u> |
| | | May 1 | To Bal b/d | | 80,000 | | | | |
| Sundry Creditors A/c | | | | | | | | | |
| | | Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ |
| | | 2023 April 1 | To Bal c/d | | <u>90,000</u> | 2023 April 30 | By Bal b/d | | <u>90,000</u> |
| | | | | | | May 01 | By Bal b/d | | 90,000 |
| Capital A/c | | | | | | | | | |

| | | <table><tr><th>Date</th><th>Particulars</th><th>L.F.</th><th>₹</th><th>Date</th><th>Particulars</th><th>L.F.</th><th>₹</th></tr><tr><td rowspan="3">2023 April 1</td><td rowspan="3">To Bal c/d</td><td rowspan="3"></td><td><u>90,000</u></td><td><u>2023 April 30</u></td><td rowspan="3">By Bal b/d</td><td rowspan="3"></td><td><u>90,000</u></td></tr><tr><td></td><td>May 01</td><td>90,000</td></tr><tr><td></td><td></td><td></td></tr></table> | | | | | | | | Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ | 2023 April 1 | To Bal c/d | | <u>90,000</u> | <u>2023 April 30</u> | By Bal b/d | | <u>90,000</u> | | May 01 | 90,000 | | | |
|-----------------------------------|--|---|-------------|------|---------------|--------------------------|-------------|------|---------------|------|-------------|------|---|------|-------------|------|---|-----------------|------------|--|---------------|--------------------------|------------|--|---------------|--|--------|--------|--|--|--|
| | | Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ | | | | | | | | | | | | | | | | | | | | | | |
| | | 2023 April 1 | To Bal c/d | | <u>90,000</u> | <u>2023 April 30</u> | By Bal b/d | | <u>90,000</u> | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | May 01 | | | 90,000 | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ****END OF THE QUESTION PAPER**** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | |
|------------|----------|
| SET | B |
|------------|----------|

**INDIAN SCHOOL MUSCAT
HALF YEARLY EXAMINATION 2023
ACCOUNTANCY (CODE NO.055)**

CLASS:XI

Max.Marks: 80

| MARKING SCHEME | | | |
|----------------|-------|---|-------------------|
| SET | QN.NO | VALUE POINTS | MARKS SPLIT UP |
| B | 1 | (d) Purchases A/c ₹ 9,000 | 1 |
| B | 2 | (c) In chronological order OR (d) More than one debit or credit items | 1 |
| B | 3 | (d) ₹ 180 OR (c) Sales A/c | 1 |
| B | 4 | (a) Increase the asset and liability | 1 |
| B | 5 | (c) Matching Concept | 1 |
| B | 6 | (a) Both (A) and (R) are correct and (R) is the correct explanation of (A). | 1 |
| B | 7 | (a) Going Concern Assumption OR (c) Cost or market price whichever is less | 1 |
| B | 8 | (c) Withdrew cash from bank for office use | 1 |
| B | 9 | (c) Deferred Revenue Expenditure OR (b) Financial position | 1 |
| B | 10 | (b) Source Documents | 1 |
| B | 11 | (c) Appreciation of staff | 1 |
| B | 12 | (b) Real A/c OR (a) Personal A/c | 1 |
| B | 13 | (b) Plant & Machinery A/c | 1 |
| B | 14 | (a) Debit | 1 |
| B | 15 | (c) Both (a) and (b) | 1 |
| B | 16 | (a) Salary, Outstanding Salary | 1 |
| B | 17 | (c) Communication of information OR (b) Cash and bank transactions | 1 |

| B | 18 | (b) Cash Book - Bank Column as - By Purchases A/c | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|----------------|--------------|--|-------------------------------------|----------------|-------------------------|------|------------------------|-------------|------|---|----------------|--------------|--|----------|----------------|---------------------|--|--------|--|--|--|--|--------|-------------|--|--------|--|--|--|--|--------|-------------|--|--------|--|--|--|--|--------|-------------|--|------|--|--|--|--|--------|-------------------------|--|-----|--|--|--|------------------------|--|--|--|------------------------|------------|
| B | 19 | (d) Comparability | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B | 20 | (c) Computer OR (a) Debtor | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B | 21 | <p>a)The company has violated the principle of full disclosure.</p> <p>b)Loss of Plant and Machinery is material information and should have been disclosed. The full disclosure principle requires that financial statements make complete, adequate and fair disclosure of all information which is relevant and significant to the users of accounting service viz investors, lenders, creditors, researchers, government and regulatory agencies.</p> <p style="text-align: center;">OR</p> <p>a)Mr. Vinod has violated the principle of Historical cost or Cost Concept.</p> <p>b) Mr. Vinod not correct because he has purchased a fixed asset by paying ₹15,00,000. The Cost Concept of Accounting holds that an asset should be recorded in the books at the price paid.</p> <p>According to cost concept, assets are recorded in the books of accounts at their purchase price which includes cost of purchase, transportation, installation and for making the asset ready to use.</p> <p>It is also called as historical cost as it is the cost of the asset that has been paid for its acquisition and it does not change year after year despite the change in its market price due to price level change. In real practice, historical cost does not mean that asset will continue to be shown in the balance sheet of several years at its cost of purchase price. It will be reduced year after year by charging depreciation based on the useful life of that asset. Thus, the asset is shown in the balance sheet at its book value (i.e., cost less depreciation).</p> | 1+2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B | 22 | <p>A. i) Capital = ₹ 2,00,000 ii) Fixed Asset = ₹10,000 iii) Debtor = ₹20,000</p> <p style="text-align: center;">OR</p> <p>B. i) Fixed Asset = ₹50,000 ii) Debtor = ₹70,000 iii) Creditor = ₹30,000</p> | 1+1+1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B | 23 | <p style="text-align: center;">Ashok's A/c</p> <table><tr><th>Date</th><th>Particulars</th><th>J.F.</th><th>₹</th><th>Date</th><th>Particulars</th><th>J.F.</th><th>₹</th></tr><tr><td>2023 Apr 01</td><td>To Sales A/c</td><td></td><td>1,00,000</td><td>2023 Apr 03</td><td>By Sales Return A/c</td><td></td><td>50,000</td></tr><tr><td></td><td></td><td></td><td></td><td>Apr 05</td><td>By Cash A/c</td><td></td><td>30,000</td></tr><tr><td></td><td></td><td></td><td></td><td>Apr 07</td><td>By Bank A/c</td><td></td><td>10,000</td></tr><tr><td></td><td></td><td></td><td></td><td>Apr 10</td><td>By Cash A/c</td><td></td><td>9500</td></tr><tr><td></td><td></td><td></td><td></td><td>Apr 10</td><td>By Discount allowed A/c</td><td></td><td>500</td></tr><tr><td></td><td></td><td></td><td><u>1,00,000</u></td><td></td><td></td><td></td><td><u>1,00,000</u></td></tr></table> | Date | Particulars | J.F. | ₹ | Date | Particulars | J.F. | ₹ | 2023 Apr 01 | To Sales A/c | | 1,00,000 | 2023 Apr 03 | By Sales Return A/c | | 50,000 | | | | | Apr 05 | By Cash A/c | | 30,000 | | | | | Apr 07 | By Bank A/c | | 10,000 | | | | | Apr 10 | By Cash A/c | | 9500 | | | | | Apr 10 | By Discount allowed A/c | | 500 | | | | <u>1,00,000</u> | | | | <u>1,00,000</u> | 1/2 x 6= 3 |
| Date | Particulars | J.F. | ₹ | Date | Particulars | J.F. | ₹ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2023 Apr 01 | To Sales A/c | | 1,00,000 | 2023 Apr 03 | By Sales Return A/c | | 50,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Apr 05 | By Cash A/c | | 30,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Apr 07 | By Bank A/c | | 10,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Apr 10 | By Cash A/c | | 9500 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Apr 10 | By Discount allowed A/c | | 500 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | <u>1,00,000</u> | | | | <u>1,00,000</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B | 24 | <p>We know that :-</p> <p>Capital + Liabilities = Total Assets</p> <p>Capital + 30,000 = ₹ 85,000</p> | 1 ^{1/2} + 1 ^{1/2} | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | Closing Capital = 85,000 - 30,000= ₹55,000 Profit = Closing Capital - Opening Capital Profit 55,000- 50,000= ₹5,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---------------|---|---|----------------------------|---------------|-------|-------------|---------------|-------------|---|--|--------------|-------|--------|---|--|----------------|-------|-------|---|--|----------------------|-------|--|---------|--|----------------------------|-------|--|----------|--|----------------------------|-----|--|----------|--|----------------------------|-----|--|----------|--|--------------------------|-----|--|----------|--|-------------------------|-------|--|----------|--|----------------|-------|---------------|--|--|--|--------------|-------|-------|--|----------------|--|-------|-------|--|-------------|--|--|--|--|--|---------------|--|--|--|--|-------------|
| B | 25 | 1. Personal Account 2. Personal Account 3. Real Account 4. Nominal Account 5. Nominal Account 6. Real Account | | | | | | 1/2 x 6 = 3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B | 26 | <table><tr><th>Date</th><th>Particulars</th><th>L.F.</th><th>Dr. (₹)</th><th>Cr. (₹)</th></tr><tr><td>(i)</td><td>Cash A/c Dr. Baddebts A/c Dr. To Rajan's A/c (Being Received 70 paisa in a rupee from Kamal on his insolvency)</td><td></td><td>1,400 600</td><td>2,000</td></tr><tr><td>(ii)</td><td>Drawings A/c Dr. Loss by theft A/c Dr. To Purchases A/c (Being goods withdrawn for personal use and loss by theft)</td><td></td><td>4,000 5,000</td><td>9,000</td></tr><tr><td>(iii)</td><td>Cash A/c Dr. To Baddebts Recovered A/c (Being Baddebts Recovered)</td><td></td><td>500</td><td>500</td></tr></table> | Date | Particulars | L.F. | Dr. (₹) | Cr. (₹) | (i) | Cash A/c Dr. Baddebts A/c Dr. To Rajan's A/c (Being Received 70 paisa in a rupee from Kamal on his insolvency) | | 1,400 600 | 2,000 | (ii) | Drawings A/c Dr. Loss by theft A/c Dr. To Purchases A/c (Being goods withdrawn for personal use and loss by theft) | | 4,000 5,000 | 9,000 | (iii) | Cash A/c Dr. To Baddebts Recovered A/c (Being Baddebts Recovered) | | 500 | 500 | | | | | 1+1+1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Date | Particulars | L.F. | Dr. (₹) | Cr. (₹) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (i) | Cash A/c Dr. Baddebts A/c Dr. To Rajan's A/c (Being Received 70 paisa in a rupee from Kamal on his insolvency) | | 1,400 600 | 2,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (ii) | Drawings A/c Dr. Loss by theft A/c Dr. To Purchases A/c (Being goods withdrawn for personal use and loss by theft) | | 4,000 5,000 | 9,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (iii) | Cash A/c Dr. To Baddebts Recovered A/c (Being Baddebts Recovered) | | 500 | 500 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B | 27 | <table><tr><th>Receipts</th><th>Date</th><th>V.No.</th><th>Particulars</th><th>Total Payment</th></tr><tr><td></td><td>2023</td><td></td><td></td><td></td></tr><tr><td>10,000</td><td>April 1</td><td></td><td>To Cash A/c</td><td></td></tr><tr><td></td><td>April 5</td><td></td><td>By Postage (Postage)</td><td>2,000</td></tr><tr><td></td><td>April 7</td><td></td><td>By Stationary (Stationary)</td><td>1,000</td></tr><tr><td></td><td>April 16</td><td></td><td>By Conveyance (Conveyance)</td><td>800</td></tr><tr><td></td><td>April 20</td><td></td><td>By Travelling (Conveyance)</td><td>600</td></tr><tr><td></td><td>April 25</td><td></td><td>By Courier A/c (Postage)</td><td>800</td></tr><tr><td></td><td>April 30</td><td></td><td>By Wages A/c (Sundries)</td><td>3,000</td></tr><tr><td></td><td>April 30</td><td></td><td>By Balance c/d</td><td>8,200</td></tr><tr><td><u>20,000</u></td><td></td><td></td><td></td><td><u>1,800</u></td></tr><tr><td>1,800</td><td>May 1</td><td></td><td>To Balance b/d</td><td></td></tr><tr><td>8,200</td><td>May 1</td><td></td><td>To Cash A/c</td><td></td></tr><tr><td></td><td></td><td></td><td></td><td><u>10,000</u></td></tr></table> | Receipts | Date | V.No. | Particulars | Total Payment | | 2023 | | | | 10,000 | April 1 | | To Cash A/c | | | April 5 | | By Postage (Postage) | 2,000 | | April 7 | | By Stationary (Stationary) | 1,000 | | April 16 | | By Conveyance (Conveyance) | 800 | | April 20 | | By Travelling (Conveyance) | 600 | | April 25 | | By Courier A/c (Postage) | 800 | | April 30 | | By Wages A/c (Sundries) | 3,000 | | April 30 | | By Balance c/d | 8,200 | <u>20,000</u> | | | | <u>1,800</u> | 1,800 | May 1 | | To Balance b/d | | 8,200 | May 1 | | To Cash A/c | | | | | | <u>10,000</u> | | | | | 1/2 x 8 = 4 |
| Receipts | Date | V.No. | Particulars | Total Payment | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 2023 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10,000 | April 1 | | To Cash A/c | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | April 5 | | By Postage (Postage) | 2,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | April 7 | | By Stationary (Stationary) | 1,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | April 16 | | By Conveyance (Conveyance) | 800 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | April 20 | | By Travelling (Conveyance) | 600 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | April 25 | | By Courier A/c (Postage) | 800 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | April 30 | | By Wages A/c (Sundries) | 3,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | April 30 | | By Balance c/d | 8,200 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <u>20,000</u> | | | | <u>1,800</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1,800 | May 1 | | To Balance b/d | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8,200 | May 1 | | To Cash A/c | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | <u>10,000</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B | 28 | A.1.Reliability 2.Relevance 3.Understandibility 4. Comparability OR B. 1.Maintaining Accounting Records 2.Determining Profit or Loss 3.Determining Financial Position | | | | | | 1+1+1+1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | | | | | | | | | |
|---|----|----------------------------|----------------|------|-------|---------|------------------|------|-------------|-------------|
| | | 4. Facilitating Management | | | | | | | | |
| B | 29 | Simple Cash Book | | | | | | | | 1/2 x 8 = 4 |
| | | Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ | |
| | | 2023 | | | | 2021 | | | | |
| | | Jan 01 | To Balance b/d | | 8,000 | Jan 03 | By Purchases A/c | | 2,000 | |
| | | Jan 05 | To Mohan's A/c | | 1,500 | Jan 09 | By Ram's A/c | | 3,000 | |
| | | Jan 07 | To Sales A/c | | 2,200 | Jan 11. | By Salary A/c | | 3,400 | |
| | | | | | | Jan 31 | By Bank A/c | | 2,300(B.f.) | |
| | | | | | | Jan 31 | By Balance c/d | | 1,000 | |
| | | | 11,700 | | | | 11,700 | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |

| | | | |
|--|--|---|--|
| | paid. | | |
| | Taxes in a Cash Basis Accounting are not applied to the cash that has not been received | Tax is applied and paid even on the money that is owed | |
| | The cash basis accounting is very simple and straightforward, but it is not that well known | The accrual basis of accounting is a little complex, but this accounting system is widely used | |
| | Small service-based businesses and non-profit organizations use this type of accounting | This type of accounting system is used by public companies, corporations, and businesses and audited financial statements | |
| | It is not recognised by the Companies Act,2013 | It is recognised by the Companies Act,2013 | |
| | Adjustments such as Prepaid Expenses, Outstanding Expenses, Accrued Income and Unearned Income are not made. | Adjustments such as Prepaid Expenses, Outstanding Expenses, Accrued Income and Unearned Income are made. | |
| | Doesn't Recognises correct Profit or Loss as all cash and credit transactions are not recorded. | Recognises correct Profit or Loss as all cash and credit transactions are recorded. | |

OR

I. Internal Users : Internal users contain persons who are directly connected with the operation and management of the business entity. Thus, they include management (i.e., directors, officers etc. and sole proprietor's or partners).

(i) Management : Management requires accounting information for the smooth and efficient functioning of the enterprise. They need frequent information with regard to cost price, selling price. They produce annual reports of the entity containing :

(i) Trading and Profit and Loss Account

(ii) Balance Sheet

(iii) Cash Flow Statement

(ii) Shareholders / Proprietors : The owners of Company i.e., shareholders are interested in knowing about regularity of adequate return on their invested capital in the short run and safety of their capital in the long run. To meet these objectives, they require accounting information. They are also

1X6=6

| | | <p>interested in knowing whether the profits are increasing or decreasing, probable reason for this change. Should they continue to remain with their investment. If they are not satisfied with the performance of the company, they may sell their shares and buy the shares of a company where prospects are better.</p> <p>(iii) Employees : The employees of a firm are also interested in the accounting information to assess the ability of the entity to pay higher and regular wages payments, payment of bonus, regularity in depositing amount of provident fund of workers. If the firm is earning huge profits, there are chances of opening a new branch. Thus, possibility of promotion of worker is also there.</p> <p>II. External Users : All other users of accounting service except the management fall under the category of external end users. The management provides published information to all the external end users while it uses both published and unpublished information for the efficient conduct of managerial decisions. Thus, analysis of the management is more detailed and extensive. External end users include :</p> <p>(i) Potential Investors: Making investment involves risk. The investors have no control on the preparation of accounting information so they rely on the information provided to them in the form of published information. They should try to evaluate the earning prospects of the company and safety of their investment.</p> <p>(ii) Bankers and Financial Institutions : They provide long term need and term loan (medium term loan) need of the business entity so they make financial appraisal of the entity to know the repayment capacity of loan of the entity and regularity of interest payment on loan. Thus, they need accounting information to meet their objectives.</p> <p>(iii) Researchers : Researchers also require accounting information for their research work to make inter-firm and intra-firm (comparisons of same firm with the past), to know the operating performance and financial soundness of the business entity.</p> <p>(iv) Public: Public is interested in knowing the growth potential of business entity. Only prosperous entity will provide job employment opportunities to the public. Public also uses the products manufactured by the firm. Financial accounting provides such information to the public. Public is also interested in knowing about the corporate social responsibilities. All this information is derived from the accounting information.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|-------------------------|-------------|--|-------------------------|--------|------|-------------|------|------|--------|--|--|--|------|-------------|------|------|------|------|-------------|------|------|------|------|--|--|--|--|------|--|--|--|--|-----|-------------|--|--------|--------|-----|------------|--|--|--------|-----|----------|--|-------|-------|-----|----------|---|--|--------|--|
| B | 32 | <table><tr><th colspan="10">Double Column Cash Book</th></tr><tr><th>Date</th><th>Particulars</th><th>L.F.</th><th>Cash</th><th>Bank</th><th>Date</th><th>Particulars</th><th>L.F.</th><th>Cash</th><th>Bank</th></tr><tr><td>2023</td><td></td><td></td><td></td><td></td><td>2023</td><td></td><td></td><td></td><td></td></tr><tr><td>M 1</td><td>Balance b/d</td><td></td><td>12,750</td><td>72,400</td><td>M 7</td><td>Salary A/c</td><td></td><td></td><td>25,600</td></tr><tr><td>M 4</td><td>Asha A/c</td><td></td><td>1,200</td><td>3,200</td><td>M 9</td><td>Cash A/c</td><td>C</td><td></td><td>21,900</td></tr></table> | Double Column Cash Book | | | | | | | | | | Date | Particulars | L.F. | Cash | Bank | Date | Particulars | L.F. | Cash | Bank | 2023 | | | | | 2023 | | | | | M 1 | Balance b/d | | 12,750 | 72,400 | M 7 | Salary A/c | | | 25,600 | M 4 | Asha A/c | | 1,200 | 3,200 | M 9 | Cash A/c | C | | 21,900 | |
| Double Column Cash Book | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Date | Particulars | L.F. | Cash | Bank | Date | Particulars | L.F. | Cash | Bank | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2023 | | | | | 2023 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| M 1 | Balance b/d | | 12,750 | 72,400 | M 7 | Salary A/c | | | 25,600 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| M 4 | Asha A/c | | 1,200 | 3,200 | M 9 | Cash A/c | C | | 21,900 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | | | | | | | | | | | |
|--|--|------|--------------|---|---------------|--------------|------|---------------|---|---------------|---------------|--|
| | | M 9 | Bank A/c | C | 21,900 | | M 16 | Furniture A/c | | 16,500 | | |
| | | M 12 | Bank Int A/c | | | 1,200 | M 21 | Mohan and Co. | | | 10,900 | |
| | | M 29 | Sales A/c | | 14,800 | | M 24 | Drawings A/c | | 11,600 | | |
| | | M 31 | Cash A/c | C | 21,200 | | M 31 | Bank A/c | C | 21,200 | | |
| | | | | | | | M 31 | Balance c/d | | 1,350 | 39,600 | |
| | | | | | <u>50,650</u> | <u>98000</u> | | | | <u>50,650</u> | <u>98,000</u> | |

| | | | | | | | |
|---|--------|-----------|--|------|----------------------------|-----------------|--------|
| B | 34 A/B | Date | Particulars | L.F. | Dr. (₹) | Cr. (₹) | 1x6 =6 |
| | | 2023 | | | | | |
| | | Jan 1 | Cash A/c Dr. Stock A/c Dr. Furniture A/c Dr. To Capital A/c (Being Business Started) | | 80,000 30,000 40,000 | 1,50,000 | |
| | | Jan 3 | Purchases A/c Dr. To Arun's A/c (Being goods purchased) | | 20,000 | 20,000 | |
| | | Jan 5 | Arun's A/c Dr. To Purchases Return A/c (Being goods returned to Amit) | | 1,600 | 1,600 | |
| | | Jan 7 | Arun's A/c Dr. To Cash A/c To Discount Received A/c (Being cash paid and discount received) | | 18,400 | 17,664 736 | |
| | | Jan10 | Raj's A/c Dr. To Sales A/c (Being goods sold to Raj) | | 25,500 | 25,500 | |
| | | Jan13 | Sales Return A/c Dr. To Raj's A/c (Being goods returned by Raj) | | 1,700 | 1,700 | |
| | | OR | | | | | |
| | | Date | Particulars | L.F. | Dr. (₹) | Cr. (₹) | 2x3=6 |
| | | (i) | Purchases A/c Dr. To Cash a/c To Discount Received A/c (Being Goods Brought from Goel Agencies) | | 18,000 | 16,200 1,800 | |
| | | (ii) | Mohan's A/c Dr. Bank A/c Dr. Discount allowed A/c Dr. To Sales A/c (Sold goods to Mohan and received half payment immediately) | | 13,500 12,825 675 | 27,000 | |

| | | | | | | | | | |
|-----------------------|----|-----------------|---|--------------------------|--------------------------------------|------------------|-------------|-------------------------|---------------|
| | | (iii) | Purchases A/c To Bank a/c To Discount Received A/c To Super Store A/c (Being Goods Brought from Super Store and made 30% payment immediately) | Dr. | | 45,000 | | 13,230 270 31,500 | |
| B | 33 | Date | Particulars | L.F. | Dr. (₹) | Cr. (₹) | 3+3 | | |
| | | 2023 April 1 | Cash A/c Sundry Debtors A/c Stock A/c Land and Building A/c To Sundry Creditors A/c To Capital A/c (Bal.Fig.) | Dr. Dr. Dr. Dr. | 50,000 40,000 20,000 80,000 | | | 90,000 1,00,000 | |
| Ledger Accounts :- | | | | | | | | | |
| Cash A/c | | | | | | | | | |
| | | Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ |
| | | 2023 April 1 | To Bal b/d | | <u>50,000</u> | 2023 April 30 | By Bal c/d | | <u>50,000</u> |
| | | May 1 | To Bal b/d | | 50,000 | | | | |
| Sundry Debtors A/c | | | | | | | | | |
| | | Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ |
| | | 2023 April 1 | To Bal b/d | | <u>40,000</u> | 2023 April 30 | By Bal c/d | | <u>40,000</u> |
| | | May 1 | To Bal b/d | | 40,000 | | | | |
| Stock A/c | | | | | | | | | |
| | | Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ |
| | | 2023 April 1 | To Bal b/d | | <u>20,000</u> | 2023 April 30 | By Bal c/d | | <u>20,000</u> |
| | | May 1 | To Bal b/d | | 20,000 | | | | |
| Land and Building A/c | | | | | | | | | |
| | | Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ |
| | | 2023 April 1 | To Bal b/d | | <u>80,000</u> | 2023 April 30 | By Bal c/d | | <u>80,000</u> |
| | | May 1 | To Bal b/d | | 80,000 | | | | |
| Sundry Creditors A/c | | | | | | | | | |
| | | Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ |
| | | 2023 April 1 | To Bal c/d | | <u>90,000</u> | 2023 April 30 | By Bal b/d | | <u>90,000</u> |
| | | | | | | May 01 | By Bal b/d | | 90,000 |

| | | | | | | | |
|--|-------------|------|-----------------|--------------------------------|-------------|------|-----------------|
| Capital A/c | | | | | | | |
| Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ |
| 2023 April 1 | To Bal c/d | | <u>1,00,000</u> | <u>2023</u> <u>April 30</u> | By Bal b/d | | <u>1,00,000</u> |
| | | | | May 01 | By Bal b/d | | <u>1,00,000</u> |
| ****END OF THE QUESTION PAPER**** | | | | | | | |

| | |
|------------|----------|
| SET | C |
|------------|----------|

**INDIAN SCHOOL MUSCAT
HALF YEARLY EXAMINATION 2023
ACCOUNTANCY (CODE NO.055)**

CLASS:XI

Max.Marks: 80

| MARKING SCHEME | | | |
|----------------|-------|---|-------------------|
| SET | QN.NO | VALUE POINTS | MARKS SPLIT UP |
| C | 1 | (b) Plant & Machinery A/c | 1 |
| C | 2 | (a) Going Concern Assumption OR (c) Cost or market price whichever is less | 1 |
| C | 3 | (d) ₹ 180 OR (c) Sales A/c | 1 |
| C | 4 | (d) Source Documents | 1 |
| C | 5 | (c) Matching Concept | 1 |
| C | 6 | (a) Both (A) and (R) are correct and (R) is the correct explanation of (A). | 1 |
| C | 7 | (c) In chronological order OR (d) More than one debit or credit items | 1 |
| C | 8 | (c) Cash Book - Bank Column as - By Purchases A/c | 1 |
| C | 9 | (c) Deferred Revenue Expenditure OR (b) Financial position | 1 |
| C | 10 | (b) Purchases A/c ₹ 8,000 | 1 |
| C | 11 | (a) Debit | 1 |
| C | 12 | (c) Computer OR (a) Debtor | 1 |
| C | 13 | (a) Increase the asset and liability | 1 |
| C | 14 | (d) Honesty of staff | 1 |
| C | 15 | (c) Both (a) and (b) | 1 |
| C | 16 | (c) Prepaid Salary, Salary | 1 |

| C | 17 | (b) Real A/c OR (a) Personal A/c | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|----------------|--------------|--|-------------------------------------|----------------|---------------------|------|-----------------|-------------|------|---|----------------|--------------|--|----------|----------------|---------------------|--|--------|--|--|--|--|--------|-------------|--|--------|--|--|--|--|--------|-------------|--|--------|--|--|--|--|--------|-------------|--|-------|--|--|--|--|--------|-----------------|--|-------|--|--|--|-----------------|--|--|--|-----------------|--|--|--|--|--|--|--|--|------------|
| C | 18 | d) Comparability | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C | 19 | (c) Withdrew cash from bank for office use | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C | 20 | (c) Communication of information OR (b) Cash and bank transactions | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C | 21 | <p>a)The company has violated the principle of full disclosure.</p> <p>b)Loss of Plant and Machinery is material information and should have been disclosed. The full disclosure principle requires that financial statements make complete, adequate and fair disclosure of all information which is relevant and significant to the users of accounting service viz investors, lenders, creditors, researchers, government and regulatory agencies.</p> <p style="text-align: center;">OR</p> <p>a)Mr. Gupta has violated the principle of Historical cost or Cost Concept.</p> <p>b) Mr. Gupta not correct because he has purchased a fixed asset by paying ₹15,00,000. The Cost Concept of Accounting holds that an asset should be recorded in the books at the price paid.</p> <p>According to cost concept, assets are recorded in the books of accounts at their purchase price which includes cost of purchase, transportation, installation and for making the asset ready to use.</p> <p>It is also called as historical cost as it is the cost of the asset that has been paid for its acquisition and it does not change year after year despite the change in its market price due to price level change. In real practice, historical cost does not mean that asset will continue to be shown in the balance sheet of several years at its cost of purchase price. It will be reduced year after year by charging depreciation based on the useful life of that asset. Thus, the asset is shown in the balance sheet at its book value (i.e., cost less depreciation).</p> | 1+2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C | 22 | <p>A. i) Capital = ₹ 3,00,000 ii) Fixed Asset = ₹20,000 iii) Debtor = ₹30,000</p> <p style="text-align: center;">OR</p> <p>B. i) Fixed Asset = ₹60,000 ii) Debtor = ₹80,000 iii) Creditor = ₹10,000</p> | 1+1+1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C | 23 | <p style="text-align: center;">Ajay's A/c</p> <table><tr><th>Date</th><th>Particulars</th><th>J.F.</th><th>₹</th><th>Date</th><th>Particulars</th><th>J.F.</th><th>₹</th></tr><tr><td>2023 Apr 01</td><td>To Sales A/c</td><td></td><td>1,00,000</td><td>2023 Apr 03</td><td>By Sales Return A/c</td><td></td><td>50,000</td></tr><tr><td></td><td></td><td></td><td></td><td>Apr 05</td><td>By Cash A/c</td><td></td><td>30,000</td></tr><tr><td></td><td></td><td></td><td></td><td>Apr 07</td><td>By Bank A/c</td><td></td><td>10,000</td></tr><tr><td></td><td></td><td></td><td></td><td>Apr 10</td><td>By Cash A/c</td><td></td><td>8,500</td></tr><tr><td></td><td></td><td></td><td></td><td>Apr 10</td><td>By Baddebts A/c</td><td></td><td>1,500</td></tr><tr><td></td><td></td><td></td><td>1,00,000</td><td></td><td></td><td></td><td>1,00,000</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table> | Date | Particulars | J.F. | ₹ | Date | Particulars | J.F. | ₹ | 2023 Apr 01 | To Sales A/c | | 1,00,000 | 2023 Apr 03 | By Sales Return A/c | | 50,000 | | | | | Apr 05 | By Cash A/c | | 30,000 | | | | | Apr 07 | By Bank A/c | | 10,000 | | | | | Apr 10 | By Cash A/c | | 8,500 | | | | | Apr 10 | By Baddebts A/c | | 1,500 | | | | 1,00,000 | | | | 1,00,000 | | | | | | | | | 1/2 x 6= 3 |
| Date | Particulars | J.F. | ₹ | Date | Particulars | J.F. | ₹ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2023 Apr 01 | To Sales A/c | | 1,00,000 | 2023 Apr 03 | By Sales Return A/c | | 50,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Apr 05 | By Cash A/c | | 30,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Apr 07 | By Bank A/c | | 10,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Apr 10 | By Cash A/c | | 8,500 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Apr 10 | By Baddebts A/c | | 1,500 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | 1,00,000 | | | | 1,00,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C | 24 | 1. Personal Account 2. Personal Account | 1 ^{1/2} + 1 ^{1/2} | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---------------|---|---|----------------------------|---------------|-------|-------------|---------------|-------------|---|--|--------------|-------|--------|---|--|----------------|-------|-------|---|--|----------------------|-------|-------|---------|--|----------------------------|-------|--|----------|--|----------------------------|-----|--|----------|--|----------------------------|-----|--|----------|--|--------------------------|-----|--|----------|--|-------------------------|-------|--|----------|--|----------------|-------|---------------|--|--|--|--------------|-------|-------|--|----------------|--|-------|-------|--|-------------|---------------|-------------|--|--|--|
| | | 3. Real Account 4. Nominal Account 5. Nominal Account 6. Real Account | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C | 25 | We know that :- Capital + Liabilities = Total Assets Capital + 30,000 = ₹ 95,000 Closing Capital = 95,000 - 30,000= ₹65,000 Profit = Closing Capital - Opening Capital Profit 65,000- 40,000= ₹25,000 | | | | | | 1/2 x 6 = 3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C | 26 | <table><tr><td>Date</td><td>Particulars</td><td>L.F.</td><td>Dr. (₹)</td><td>Cr. (₹)</td></tr><tr><td>(i)</td><td>Cash A/c Dr. Baddebts A/c Dr. To Subhash's A/c (Being Received 70 paisa in a rupee from Kamal on his insolvency)</td><td></td><td>1,200 800</td><td>2,000</td></tr><tr><td>(ii)</td><td>Drawings A/c Dr. Loss by theft A/c Dr. To Purchases A/c (Being goods withdrawn for personal use and loss by theft)</td><td></td><td>2,000 1,000</td><td>7,000</td></tr><tr><td>(iii)</td><td>Cash A/c Dr. To Baddebts Recovered A/c (Being Baddebts Recovered)</td><td></td><td>2,000</td><td>2,000</td></tr></table> | Date | Particulars | L.F. | Dr. (₹) | Cr. (₹) | (i) | Cash A/c Dr. Baddebts A/c Dr. To Subhash's A/c (Being Received 70 paisa in a rupee from Kamal on his insolvency) | | 1,200 800 | 2,000 | (ii) | Drawings A/c Dr. Loss by theft A/c Dr. To Purchases A/c (Being goods withdrawn for personal use and loss by theft) | | 2,000 1,000 | 7,000 | (iii) | Cash A/c Dr. To Baddebts Recovered A/c (Being Baddebts Recovered) | | 2,000 | 2,000 | 1+1+1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Date | Particulars | L.F. | Dr. (₹) | Cr. (₹) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (i) | Cash A/c Dr. Baddebts A/c Dr. To Subhash's A/c (Being Received 70 paisa in a rupee from Kamal on his insolvency) | | 1,200 800 | 2,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (ii) | Drawings A/c Dr. Loss by theft A/c Dr. To Purchases A/c (Being goods withdrawn for personal use and loss by theft) | | 2,000 1,000 | 7,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (iii) | Cash A/c Dr. To Baddebts Recovered A/c (Being Baddebts Recovered) | | 2,000 | 2,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C | 28 | <table><tr><td>Receipts</td><td>Date</td><td>V.No.</td><td>Particulars</td><td>Total Payment</td></tr><tr><td></td><td>2023</td><td></td><td></td><td></td></tr><tr><td>15,000</td><td>April 1</td><td></td><td>To Cash A/c</td><td></td></tr><tr><td></td><td>April 5</td><td></td><td>By Postage (Postage)</td><td>2,000</td></tr><tr><td></td><td>April 7</td><td></td><td>By Stationary (Stationary)</td><td>1,000</td></tr><tr><td></td><td>April 16</td><td></td><td>By Conveyance (Conveyance)</td><td>800</td></tr><tr><td></td><td>April 20</td><td></td><td>By Travelling (Conveyance)</td><td>600</td></tr><tr><td></td><td>April 25</td><td></td><td>By Courier A/c (Postage)</td><td>800</td></tr><tr><td></td><td>April 30</td><td></td><td>By Wages A/c (Sundries)</td><td>3,000</td></tr><tr><td></td><td>April 30</td><td></td><td>By Balance c/d</td><td>8,200</td></tr><tr><td><u>20,000</u></td><td></td><td></td><td></td><td><u>6,800</u></td></tr><tr><td>6,800</td><td>May 1</td><td></td><td>To Balance b/d</td><td></td></tr><tr><td>8,200</td><td>May 1</td><td></td><td>To Cash A/c</td><td><u>15,000</u></td></tr></table> | Receipts | Date | V.No. | Particulars | Total Payment | | 2023 | | | | 15,000 | April 1 | | To Cash A/c | | | April 5 | | By Postage (Postage) | 2,000 | | April 7 | | By Stationary (Stationary) | 1,000 | | April 16 | | By Conveyance (Conveyance) | 800 | | April 20 | | By Travelling (Conveyance) | 600 | | April 25 | | By Courier A/c (Postage) | 800 | | April 30 | | By Wages A/c (Sundries) | 3,000 | | April 30 | | By Balance c/d | 8,200 | <u>20,000</u> | | | | <u>6,800</u> | 6,800 | May 1 | | To Balance b/d | | 8,200 | May 1 | | To Cash A/c | <u>15,000</u> | 1/2 x 8 = 4 | | | |
| Receipts | Date | V.No. | Particulars | Total Payment | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 2023 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 15,000 | April 1 | | To Cash A/c | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | April 5 | | By Postage (Postage) | 2,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | April 7 | | By Stationary (Stationary) | 1,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | April 16 | | By Conveyance (Conveyance) | 800 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | April 20 | | By Travelling (Conveyance) | 600 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | April 25 | | By Courier A/c (Postage) | 800 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | April 30 | | By Wages A/c (Sundries) | 3,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | April 30 | | By Balance c/d | 8,200 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <u>20,000</u> | | | | <u>6,800</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6,800 | May 1 | | To Balance b/d | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8,200 | May 1 | | To Cash A/c | <u>15,000</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C | 27 | A.1.Reliability 2.Relevance 3.Understandibility 4. Comparability | | | | | | 1+1+1+1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

OR

| | | B. 1.Maintaining Accounting Records 2.Determining Profit or Loss 3.Determining Financial Position 4. Facilitating Management | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--------|--|--|-------------------|--|---------------|-----------------------|-------------------------|--------------------|---------------|-------------|--------------|--------|--|--|---|-----------------------|--|--|---------|-------------------|------------|---|--------------|-------------------------|--------------|-----|-------------------------------------|--------|--|--|--|--|--|--------|------|----------------------------|--------|--|--|---|--|--|--------|--|--|-------|-----|--|--|--|--|--|--|--|-------|-----|--|---|--|--|--------|-------|---|---------|--|-------|---|-------|--|--|--|--|--|--|-------|---|--|--|--|--|--|-------|-----|-------|---|-------|--|--------|------|---|-------|--|---------|--|--|--|----------------|--|--|--------|-----|-------|---|-------|--|--------|-----|--|-------|--|--|---|--|--|------------------|--|--|--|--|--|--|--|-----|------------------|--|--|--------|-----|-------|---|-------|-------|--------|------|---|---------|--|--|---|--|--|--------------------|--|-------|-------|-------|---------|---|-------|-------|--------|-------|
| C | 29 | Simple Cash Book | | | | | | | | 1/2 x 8 = 4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 2023 | | | | 2021 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Jan 01 | To Balance b/d | | 8,000 | Jan 03 | By Purchases A/c | | 2,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Jan 05 | To Mohan's A/c | | 1,500 | Jan 09 | By Ram's A/c | | 3,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Jan 07 | To Sales A/c | | 2,200 | Jan 11. | By Salary A/c | | 3,400 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | Jan 31 | By Bank A/c | | 2,800(B.f.) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | Jan 31 | By Balance c/d | | 500 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | <u>11,700</u> | | | | <u>11,700</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Feb 01 | To Balance b/d | | 2,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C | 30 | <table><tr><th rowspan="2">S. No.</th><th rowspan="2">Transactions</th><th colspan="3">Assets</th><th>=</th><th colspan="3">Liabilities + Capital</th></tr><tr><th>Cash ₹.</th><th>+ Prepaid Rent ₹.</th><th>+ Stock ₹.</th><th>=</th><th>Creditors ₹.</th><th>+ Outstanding Salary ₹.</th><th>+ Capital ₹.</th></tr><tr><td>(i)</td><td>Started business with cash ₹ 10,000</td><td>10,000</td><td></td><td></td><td></td><td></td><td></td><td>10,000</td></tr><tr><td>(ii)</td><td>Paid rent in advance ₹.300</td><td>10,000</td><td></td><td></td><td>=</td><td></td><td></td><td>10,000</td></tr><tr><td></td><td></td><td>(300)</td><td>300</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td>9,700</td><td>300</td><td></td><td>=</td><td></td><td></td><td>10,000</td></tr><tr><td>(iii)</td><td>Purchased goods for cash ₹ 5,000 and credit ₹ 2,000</td><td>(5,000)</td><td></td><td>5,000</td><td>=</td><td>2,000</td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td><td>2,000</td><td>=</td><td></td><td></td><td></td></tr><tr><td></td><td></td><td>4,700</td><td>300</td><td>7,000</td><td>=</td><td>2,000</td><td></td><td>10,000</td></tr><tr><td>(iv)</td><td>Sold goods for cash ₹ 8,000 costing ₹.4,000</td><td>8,000</td><td></td><td>(4,000)</td><td></td><td></td><td></td><td>4,000 (Profit)</td></tr><tr><td></td><td></td><td>12,700</td><td>300</td><td>3,000</td><td>=</td><td>2,000</td><td></td><td>14,000</td></tr><tr><td>(v)</td><td>Paid salary ₹.450 and salary outstanding being ₹.100</td><td>(450)</td><td></td><td></td><td>=</td><td></td><td></td><td>(450) (Expenses)</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>100</td><td>(100) (Expenses)</td></tr><tr><td></td><td></td><td>12,250</td><td>300</td><td>3,000</td><td>=</td><td>2,000</td><td>+ 100</td><td>13,450</td></tr><tr><td>(vi)</td><td>Brought motorcycle for personal use ₹.3,000</td><td>(3,000)</td><td></td><td></td><td>=</td><td></td><td></td><td>(3,000) (Drawings)</td></tr><tr><td></td><td>Total</td><td>9,250</td><td>+ 300</td><td>+ 3,000</td><td>=</td><td>2,000</td><td>+ 100</td><td>10,450</td></tr></table> | | | | | | | | S. No. | Transactions | Assets | | | = | Liabilities + Capital | | | Cash ₹. | + Prepaid Rent ₹. | + Stock ₹. | = | Creditors ₹. | + Outstanding Salary ₹. | + Capital ₹. | (i) | Started business with cash ₹ 10,000 | 10,000 | | | | | | 10,000 | (ii) | Paid rent in advance ₹.300 | 10,000 | | | = | | | 10,000 | | | (300) | 300 | | | | | | | | 9,700 | 300 | | = | | | 10,000 | (iii) | Purchased goods for cash ₹ 5,000 and credit ₹ 2,000 | (5,000) | | 5,000 | = | 2,000 | | | | | | | 2,000 | = | | | | | | 4,700 | 300 | 7,000 | = | 2,000 | | 10,000 | (iv) | Sold goods for cash ₹ 8,000 costing ₹.4,000 | 8,000 | | (4,000) | | | | 4,000 (Profit) | | | 12,700 | 300 | 3,000 | = | 2,000 | | 14,000 | (v) | Paid salary ₹.450 and salary outstanding being ₹.100 | (450) | | | = | | | (450) (Expenses) | | | | | | | | 100 | (100) (Expenses) | | | 12,250 | 300 | 3,000 | = | 2,000 | + 100 | 13,450 | (vi) | Brought motorcycle for personal use ₹.3,000 | (3,000) | | | = | | | (3,000) (Drawings) | | Total | 9,250 | + 300 | + 3,000 | = | 2,000 | + 100 | 10,450 | 1x6=6 |
| S. No. | Transactions | Assets | | | = | Liabilities + Capital | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Cash ₹. | + Prepaid Rent ₹. | + Stock ₹. | = | Creditors ₹. | + Outstanding Salary ₹. | + Capital ₹. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (i) | Started business with cash ₹ 10,000 | 10,000 | | | | | | 10,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (ii) | Paid rent in advance ₹.300 | 10,000 | | | = | | | 10,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | (300) | 300 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 9,700 | 300 | | = | | | 10,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (iii) | Purchased goods for cash ₹ 5,000 and credit ₹ 2,000 | (5,000) | | 5,000 | = | 2,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 2,000 | = | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 4,700 | 300 | 7,000 | = | 2,000 | | 10,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (iv) | Sold goods for cash ₹ 8,000 costing ₹.4,000 | 8,000 | | (4,000) | | | | 4,000 (Profit) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 12,700 | 300 | 3,000 | = | 2,000 | | 14,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (v) | Paid salary ₹.450 and salary outstanding being ₹.100 | (450) | | | = | | | (450) (Expenses) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | 100 | (100) (Expenses) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | 12,250 | 300 | 3,000 | = | 2,000 | + 100 | 13,450 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (vi) | Brought motorcycle for personal use ₹.3,000 | (3,000) | | | = | | | (3,000) (Drawings) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Total | 9,250 | + 300 | + 3,000 | = | 2,000 | + 100 | 10,450 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C | 31 A/B | Cash Basis Accounting | | Accrual Basis Accounting | | | | 3+3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | A cash basis accounting revenue is recognized as soon as the company receives the revenue. | | The revenue of an accrual basis accounting is recognized as soon as the company earns the revenue. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | The expense of cash basis | | The expense of an accrual basis | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | | | |
|--|--|---|--|-------|
| | accounting is recognized as soon as the company's expenses get paid. | accounting is recognized as soon as the company's expenses get billed. | | |
| | Taxes in a Cash Basis Accounting are not applied to the cash that has not been received | Tax is applied and paid even on the money that is owed | | |
| | The cash basis accounting is very simple and straightforward, but it is not that well known | The accrual basis of accounting is a little complex, but this accounting system is widely used | | |
| | Small service-based businesses and non-profit organizations use this type of accounting | This type of accounting system is used by public companies, corporations, and businesses and audited financial statements | | |
| | It is not recognised by the Companies Act,2013 | It is recognised by the Companies Act,2013 | | |
| | Adjustments such as Prepaid Expenses, Outstanding Expenses, Accrued Income and Unearned Income are not made. | Adjustments such as Prepaid Expenses, Outstanding Expenses, Accrued Income and Unearned Income are made. | | |
| | Doesn't Recognises correct Profit or Loss as all cash and credit transactions are not recorded. | Recognises correct Profit or Loss as all cash and credit transactions are recorded. | | |
| | <p style="text-align: center;">OR</p> <p>I. Internal Users : Internal users contain persons who are directly connected with the operation and management of the business entity. Thus, they include management (i.e., directors, officers etc. and sole proprietor's or partners).</p> <p>(i) Management : Management requires accounting information for the smooth and efficient functioning of the enterprise. They need frequent information with regard to cost price, selling price. They produce annual reports of the entity containing :</p> <p>(i) Trading and Profit and Loss Account</p> <p>(ii) Balance Sheet</p> <p>(iii) Cash Flow Statement</p> <p>(ii) Shareholders / Proprietors : The owners of Company i.e., shareholders are interested in knowing about regularity of adequate return on their</p> | | | 1X6=6 |

| | | <p>invested capital in the short run and safety of their capital in the long run. To meet these objectives, they require accounting information. They are also interested in knowing whether the profits are increasing or decreasing, probable reason for this change. Should they continue to remain with their investment. If they are not satisfied with the performance of the company, they may sell their shares and buy the shares of a company where prospects are better.</p> <p>(iii) Employees : The employees of a firm are also interested in the accounting information to assess the ability of the entity to pay higher and regular wages payments, payment of bonus, regularity in depositing amount of provident fund of workers. If the firm is earning huge profits, there are chances of opening a new branch. Thus, possibility of promotion of worker is also there.</p> <p>II. External Users : All other users of accounting service except the management fall under the category of external end users. The management provides published information to all the external end users while it uses both published and unpublished information for the efficient conduct of managerial decisions. Thus, analysis of the management is more detailed and extensive. External end users include :</p> <p>(i) Potential Investors: Making investment involves risk. The investors have no control on the preparation of accounting information so they rely on the information provided to them in the form of published information. They should try to evaluate the earning prospects of the company and safety of their investment.</p> <p>(ii) Bankers and Financial Institutions : They provide long term need and term loan (medium term loan) need of the business entity so they make financial appraisal of the entity to know the repayment capacity of loan of the entity and regularity of interest payment on loan. Thus, they need accounting information to meet their objectives.</p> <p>(iii) Researchers : Researchers also require accounting information for their research work to make inter-firm and intra-firm (comparisons of same firm with the past), to know the operating performance and financial soundness of the business entity.</p> <p>(iv) Public: Public is interested in knowing the growth potential of business entity. Only prosperous entity will provide job employment opportunities to the public. Public also uses the products manufactured by the firm. Financial accounting provides such information to the public. Public is also interested in knowing about the corporate social responsibilities. All this information is derived from the accounting information.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|-------------------------|-------------|--|-------------------------|--------|------|-------------|------|------|--------|--|--|--|------|-------------|------|------|------|------|-------------|------|------|------|------|--|--|--|--|------|--|--|--|--|-----|-------------|--|--------|--------|-----|------------|--|--|--------|--|
| C | 32 | <table><tr><th colspan="10">Double Column Cash Book</th></tr><tr><th>Date</th><th>Particulars</th><th>L.F.</th><th>Cash</th><th>Bank</th><th>Date</th><th>Particulars</th><th>L.F.</th><th>Cash</th><th>Bank</th></tr><tr><td>2023</td><td></td><td></td><td></td><td></td><td>2023</td><td></td><td></td><td></td><td></td></tr><tr><td>M 1</td><td>Balance b/d</td><td></td><td>12,750</td><td>72,400</td><td>M 7</td><td>Salary A/c</td><td></td><td></td><td>25,600</td></tr></table> | Double Column Cash Book | | | | | | | | | | Date | Particulars | L.F. | Cash | Bank | Date | Particulars | L.F. | Cash | Bank | 2023 | | | | | 2023 | | | | | M 1 | Balance b/d | | 12,750 | 72,400 | M 7 | Salary A/c | | | 25,600 | |
| Double Column Cash Book | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Date | Particulars | L.F. | Cash | Bank | Date | Particulars | L.F. | Cash | Bank | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2023 | | | | | 2023 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| M 1 | Balance b/d | | 12,750 | 72,400 | M 7 | Salary A/c | | | 25,600 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | | | | | | | | | | | |
|--|--|------|--------------|---|---------------|--------------|------|---------------|---|---------------|---------------|--|
| | | M 4 | Asha A/c | | 1,200 | 3,200 | M 9 | Cash A/c | C | | 21,900 | |
| | | M 9 | Bank A/c | C | 21,900 | | M 16 | Furniture A/c | | 16,500 | | |
| | | M 12 | Bank Int A/c | | | 1,200 | M 21 | Mohan and Co. | | | 10,900 | |
| | | M 29 | Sales A/c | | 14,800 | | M 24 | Drawings A/c | | 11,600 | | |
| | | M 31 | Cash A/c | C | 21,200 | | M 31 | Bank A/c | C | 21,200 | | |
| | | | | | | | M 31 | Balance c/d | | 1,350 | 39,600 | |
| | | | | | <u>50,650</u> | <u>98000</u> | | | | <u>50,650</u> | <u>98,000</u> | |

| | | | | | | | |
|---|--------|-----------|--|------|----------------------------|-----------------|--------|
| C | 33 A/B | Date | Particulars | L.F. | Dr. (₹) | Cr. (₹) | 1x6 =6 |
| | | 2023 | | | | | |
| | | Jan 1 | Cash A/c Dr. Stock A/c Dr. Furniture A/c Dr. To Capital A/c (Being Business Started) | | 80,000 30,000 40,000 | 1,50,000 | |
| | | Jan 3 | Purchases A/c Dr. To Arun's A/c (Being goods purchased) | | 20,000 | 20,000 | |
| | | Jan 5 | Arun's A/c Dr. To Purchases Return A/c (Being goods returned to Amit) | | 1,600 | 1,600 | |
| | | Jan 7 | Arun's A/c Dr. To Cash A/c To Discount Received A/c (Being cash paid and discount received) | | 18,400 | 17,664 736 | |
| | | Jan10 | Raj's A/c Dr. To Sales A/c (Being goods sold to Raj) | | 25,500 | 25,500 | |
| | | Jan13 | Sales Return A/c Dr. To Raj's A/c (Being goods returned by Raj) | | 1,700 | 1,700 | |
| | | OR | | | | | |
| | | Date | Particulars | L.F. | Dr. (₹) | Cr. (₹) | 2x3=6 |
| | | (i) | Purchases A/c Dr. To Cash a/c To Discount Received A/c (Being Goods Brought from Goel Agencies) | | 18,000 | 16,200 1,800 | |
| | | (ii) | Mohan's A/c Dr. Bank A/c Dr. Discount allowed A/c Dr. To Sales A/c | | 13,500 12,825 675 | 27,000 | |

| | | | | | | | | | |
|-----------------------|----|-----------------|--|--------------------------|--------------------------------------|-------------------------|-------------|------|--------|
| | | (iii) | (Sold goods to Mohan and received half payment immediately) Purchases A/c To Bank a/c To Discount Received A/c To Super Store A/c (Being Goods Brought from Super Store and made 30% payment immediately) | Dr. | 45,000 | 13,230 270 31,500 | | | |
| C | 34 | Date | Particulars | L.F. | Dr. (₹) | Cr. (₹) | 3+3 | | |
| | | 2023 April 1 | Cash A/c Sundry Debtors A/c Stock A/c Land and Building A/c To Sundry Creditors A/c To Capital A/c (Bal.Fig.) | Dr. Dr. Dr. Dr. | 80,000 30,000 10,000 70,000 | 40,000 1,50,000 | | | |
| Ledger Accounts :- | | | | | | | | | |
| Cash A/c | | | | | | | | | |
| | | Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ |
| | | 2023 April 1 | To Bal b/d | | 80,000 | 2023 April 30 | By Bal c/d | | 80,000 |
| | | May 1 | To Bal b/d | | 80,000 | | | | |
| Sundry Debtors A/c | | | | | | | | | |
| | | Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ |
| | | 2023 April 1 | To Bal b/d | | 30,000 | 2023 April 30 | By Bal c/d | | 30,000 |
| | | May 1 | To Bal b/d | | 30,000 | | | | |
| Stock A/c | | | | | | | | | |
| | | Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ |
| | | 2023 April 1 | To Bal b/d | | 10,000 | 2023 April 30 | By Bal c/d | | 10,000 |
| | | May 1 | To Bal b/d | | 10,000 | | | | |
| Land and Building A/c | | | | | | | | | |
| | | Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ |
| | | 2023 April 1 | To Bal b/d | | 70,000 | 2023 April 30 | By Bal c/d | | 70,000 |
| | | May 1 | To Bal b/d | | 70,000 | | | | |
| Sundry Creditors A/c | | | | | | | | | |
| | | Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ |
| | | 2023 April 1 | To Bal c/d | | 40,000 | 2023 April 30 | By Bal b/d | | 40,000 |
| | | | | | | May 01 | By Bal b/d | | 40,000 |

Capital A/c

| Date | Particulars | L.F. | ₹ | Date | Particulars | L.F. | ₹ |
|-----------------|-------------|------|-----------------|--------------------------------|-------------|------|-----------------|
| 2023 April 1 | To Bal c/d | | <u>1,50,000</u> | <u>2023</u> <u>April 30</u> | By Bal b/d | | <u>1,50,000</u> |
| | | | | May 01 | By Bal b/d | | <u>1,50,000</u> |

******END OF THE QUESTION PAPER******